



Rep. Michael J. Madigan

Filed: 5/15/2015

09900SB0843ham001

LRB099 05977 EFG 35653 a

1 AMENDMENT TO SENATE BILL 843

2 AMENDMENT NO. _____. Amend Senate Bill 843 by replacing
3 everything after the enacting clause with the following:

4 "Section 1. Short title. This Act may be cited as the Cook
5 County Annuitant Healthcare Trust Act.

6 Section 5. Cook County Annuitant Healthcare Trust.

7 (a) On the effective date of this Act, there is established
8 an annuitant healthcare trust, and within the trust, a budget
9 stabilization fund, both for the strict and sole purpose of
10 financing and providing healthcare benefits to eligible
11 annuitants of the annuity and benefit funds created under
12 Articles 9 (Cook County) and 10 (Cook County Forest Preserve
13 District) of the Illinois Pension Code, in accordance with the
14 terms and conditions set forth in this Section and the policies
15 and procedures established by the board of trustees of the
16 annuitant healthcare trust. The annuitant healthcare trust

1 shall be solely responsible for providing healthcare benefits
2 to eligible annuitants by no later than January 1, 2016.

3 The budget stabilization fund of the annuitant healthcare
4 trust shall be maintained to ensure the ability of the
5 annuitant healthcare trust to absorb annual variances from
6 budgeted expenditures. The corpus of this fund shall be funded
7 with a deposit of \$40 million from Cook County and \$10 million
8 from the Cook County Forest Preserve District no later than
9 January 1, 2016. The corpus of the fund shall not be
10 incorporated nor utilized in the adoption of an annual budget,
11 and only interest earnings of the budget stabilization fund
12 shall be authorized to be included in an annual budget of the
13 annuitant healthcare trust fund.

14 (b) A board of 6 members shall constitute the board of
15 trustees authorized to carry out the provisions of this
16 Section. The board of trustees shall be known as the "Board of
17 Trustees of the Annuitant Healthcare Trust". All of the members
18 shall be appointed as follows:

19 (1) Two members shall be the persons appointed to the
20 Retirement Board of the County Employees' and Officers'
21 Annuity and Benefit Fund of Cook County by the President of
22 the Cook County Board of Commissioners pursuant to Section
23 9-185 of the Illinois Pension Code.

24 (2) One member shall be the chief financial officer of
25 the Cook County Forest Preserve District.

26 (3) Three members shall be appointed by the Retirement

1 Board of the County Employees' and Officers' Annuity and
2 Benefit Fund of Cook County from among its members holding
3 elected positions, at least one of whom shall be an
4 annuitant member and at least one of whom shall be an
5 employee member.

6 The term of a trustee appointed under item (1) or (3) shall
7 terminate upon the expiration or termination of the trustee's
8 term on the Retirement Board. Trustees shall serve until a
9 successor has been appointed and qualified, or until
10 resignation, death, incapacity, or disqualification.

11 Any person designated or selected as a trustee of the
12 annuitant healthcare trust shall qualify by taking an oath of
13 office that he or she will diligently and honestly administer
14 the affairs of the healthcare trust, will fulfill his or her
15 duties and obligations as a fiduciary for the healthcare trust
16 and its beneficiaries, and will not knowingly violate or
17 willfully permit the violation of any of the provisions of law.

18 (c) Each trustee shall cast an individual vote. For the
19 year 2016 and every year thereafter, the trustees shall
20 develop, adopt, authorize, and implement a balanced annual
21 healthcare budget and program through which the trust shall,
22 through the means and to the degree established by the
23 trustees, offer and deliver healthcare benefits to annuitants
24 through any legally available means, provided that: (i) the
25 adoption of the trust's healthcare budget and program shall not
26 take place except through a majority vote of the trustees; and

1 (ii) said annual budgets are balanced and limit annual trust
2 expenditures to \$50 million, adjusted annually as provided in
3 subsection (h-5), plus interest earnings derived from the
4 budget stabilization fund, donations, and grants.

5 (d) Each trustee shall have the rights, privileges,
6 authority and obligations that are usual and customary for such
7 fiduciaries.

8 (e) No later than January 1, 2016, the County shall
9 contribute \$40 million and the District shall contribute \$10
10 million to the budget stabilization fund within the annuitant
11 healthcare trust.

12 (f) In fiscal year 2016 and in every year thereafter, the
13 County shall contribute to the annuitant healthcare trust \$50
14 million, adjusted annually as provided in subsection (g). The
15 County must make payments toward this annual contribution on at
16 least a quarterly basis; no less than one-half of the annual
17 contribution must be paid by May 30, and the remaining amount
18 must be fully paid by the end of the County's fiscal year;
19 except that if the County and the Healthcare Trust Fund so
20 agree in writing, the County may, through issuance of bonds or
21 other debt instruments, make advance payment of the annual
22 contribution required by this subsection, under such terms and
23 conditions as are agreed to by the parties, provided that the
24 cost to the County for incurring and servicing that debt does
25 not exceed, in each year, the exact contribution amount
26 required in this subsection for that year.

1 The County may request, and upon a request of the County,
2 the District shall, in that same year, reimburse the County for
3 the proportion of the contribution made by the County that
4 corresponds to the pro-rata share of the trust's prior-year
5 expenditures that are associated with former District
6 employees, as confirmed by the annuitant healthcare trust. The
7 annual amount so contributed by the County under this
8 subsection shall be used by the trust strictly and solely to
9 finance and fund the annuitant healthcare budget for healthcare
10 benefits and programs for the year in which it is contributed.

11 (g) The \$50 million referred to in subsections (c) and (f)
12 of this Section shall, on January 1, 2017 and annually
13 thereafter, be increased by the annual unadjusted percentage
14 increase (but not less than zero) in the consumer price index-u
15 for the 12 months ending with the September preceding that
16 January 1, including all previous adjustments.

17 For the purposes of this Section, "consumer price index-u"
18 means the index published by the Bureau of Labor Statistics of
19 the United States Department of Labor that measures the average
20 change in prices of goods and services purchased by all urban
21 consumers, United States city average, all items, 1982-84 =
22 100.

23 The new amount resulting from each annual adjustment shall
24 be determined by the Public Pension Division of the Department
25 of Insurance and made available to the board of trustees of the
26 annuitant healthcare trust, the Cook County Board, and the

1 board of trustees of the Cook County Forest Preserve District
2 by November 1 of each year.

3 (h) The funding requirements established in subsections
4 (e) and (f) shall be enforceable by the board of trustees of
5 the healthcare trust in the same manner as is provided for the
6 enforcement of County pension contributions by the retirement
7 board under Section 9-169.1 of the Illinois Pension Code.

8 (i) The board of trustees of the healthcare trust may cause
9 amounts on deposit in the trust to be invested in such
10 investments as are permitted investments for the investment of
11 moneys held under any one or more of the pension or retirement
12 systems of the State, any unit of local government or school
13 district, or any agency or instrumentality thereof and may,
14 through a unanimous vote, transfer the management of
15 investments to the Illinois State Board of Investment, which is
16 hereby authorized to manage such investments when so requested
17 by the board of trustees.

18 (j) In the administration of the trust, the board of
19 trustees shall establish and maintain an appropriate funding
20 reserve level, which may be maintained with the budget
21 stabilization fund, and which shall not be less than the amount
22 of incurred and unreported claims plus 6 months' of expected
23 claims and administrative expenses.

24 (k) The board of trustees shall make an annual assessment
25 of the funding levels of the annuitant healthcare trust and
26 shall submit an estimated balanced budget for the trust's

1 ensuing fiscal year at least 90 days prior to the end of the
2 trust's fiscal year and a report to the County Board at least
3 45 days prior to the end of the trust's fiscal year, which
4 shall include an adopted balanced budget for the ensuing year.

5 Section 50. Findings. After reviewing the condition of the
6 Cook County Employees' Annuity and Benefit Fund (the "County
7 Fund") for employees and officers of Cook County (the "County")
8 under Article 9 of the Illinois Pension Code and the Forest
9 Preserve District Employees' Annuity and Benefit Fund
10 ("District Fund") under Article 10 of the Illinois Pension Code
11 for employees and officers of the Cook County Forest Preserve
12 District (the "District") as well as assessing the need for
13 reform thereof, the General Assembly finds and declares that:

14 (1) Current actuarial projections, based on the County
15 Fund's December 31, 2013 Actuarial Valuation Report and the
16 current finance-and-benefit regime established by the Illinois
17 Pension Code project that: (a) the County Fund's total assets
18 in fiscal year 2013 amount to approximately 56.6% of its total
19 accrued liabilities, yielding an estimated current unfunded
20 accrued liability of approximately \$6.4 billion; and (b) the
21 funding ratio for the County Fund will drop from 56.6% in
22 fiscal year 2013 to approximately 0% by 2038.

23 (2) Current actuarial projections, based on the District
24 Fund's December 31, 2013 Actuarial Valuation Report, project
25 that (a) the District Fund's total assets in fiscal year 2014

1 amount to approximately 59.5% of its total accrued liabilities,
2 yielding an estimated current unfunded accrued liability of
3 approximately \$124.3 million; and (b) the funding ratio for the
4 District Fund will drop from 59.5% in fiscal year 2014 to
5 approximately 0% by 2038.

6 (3) When the accrued assets of the County Fund and the
7 District Fund (collectively, the "Funds") are completely
8 spent, the Fund trustees will, in approximately 2038, be
9 dependent solely on annual contributions received from the
10 employers and their active employees in making pension payments
11 to annuitants, resulting in a projected annual funding deficit
12 in the County Fund of approximately \$1.49 billion in 2038 and a
13 projected annual funding deficit in the District Fund of
14 approximately \$25.9 million in 2038.

15 (4) Under the current finance-and-benefit regime
16 established by the Illinois Pension Code, annuitants of the
17 County Fund and the District Fund are projected to receive, in
18 2038, only a small fraction of their customary pensions,
19 projected at approximately 29 cents for every dollar
20 theretofore received from the County Fund, and 35 cents for
21 every dollar theretofore received from the District Fund.

22 (5) The current actuarial projections show that the
23 cumulative effect of the current statutory finance-and-benefit
24 regime will cause the unfunded accrued liability of the County
25 Fund to rise from its current level of approximately \$6.4
26 billion to approximately \$31.7 billion by 2038 and \$90 billion

1 by 2053, while the unfunded accrued liability of the District
2 Fund is projected to rise from its current level of
3 approximately \$124.3 million to approximately \$614.9 million
4 by 2038.

5 (6) As recently as 2001, the County Fund was approximately
6 90% funded, while the District Fund was 98% funded. However,
7 the downward stock market fluctuations in 2001 and 2002, and
8 the recession that began in 2008, took a significant toll on
9 the Funds' assets. In addition, recent recessionary periods
10 have led to employment reductions at the County, further
11 reducing employee and employer contributions to the County
12 Fund.

13 (7) Despite these factors, the County and its employees,
14 and the District and its employees, have annually performed all
15 of their statutory funding obligations.

16 (8) Some of the fundamental causes of the Funds' current
17 and projected future imbalance include the fact that (a) the
18 Illinois Pension Code has from time to time been amended to
19 increase the value of benefits, without a corresponding
20 revision in mechanisms to finance those benefits; (b) under the
21 regime, contributions are not based on actuarial assumptions;
22 (c) the contribution structure does not take into account
23 underfunding or downward fluctuations in investment
24 performance; and (d) there is a complete lack of correlation
25 between the finance and benefit aspects of the regime itself.

26 (9) Because of the flaws in the current finance-and-benefit

1 regime, it is mathematically impossible that the Funds will,
2 under this regime, be in a position to disburse to all eligible
3 annuitants by a date certain the benefits provided for in that
4 same regime.

5 (10) The foregoing financial projections are based on
6 actuarial assumptions related to mortality, consistent
7 increases in payroll, and consistent 7.5% annual rates of
8 investment return. If such assumptions are subject to
9 historical negative variances, such variances would hasten the
10 eventual insolvency of the Funds.

11 (11) The County's bond ratings have experienced a downgrade
12 from Moody's Investors Service, and have further been placed on
13 negative outlook by Moody's and Fitch Ratings, predominately
14 due to the declining solvency of the County Fund. In addition,
15 the District's bond ratings have experienced a downgrade from
16 Moody's Investors Service. As a result, the Funds'
17 ever-worsening funding problems are making it more expensive
18 for the County and the District to obtain financing.

19 (12) Absent legislative action, the Funds will have to
20 impose substantial reductions in the pension benefits for
21 85-90% of the County's and the District's current employees and
22 10-15% of the Funds' current annuitants, based on their current
23 ages and life expectancies.

24 (13) Action by the State is the sole means of remedying
25 these problems facing the Funds, their annuitants and
26 beneficiaries, the County, and the District.

1 (14) To correct the flaws associated with the current
2 finance-and-benefit regime, the provisions of this amendatory
3 Act would: (a) require a County contribution that is the
4 greater of 190% of the contributions made by its active
5 employees, or, starting with contributions for the year 2020,
6 such amount as corresponds to an actuarially projected
7 trajectory of 90% solvency for the County Fund, in a layered
8 closed-loop calculation; and (b) require a District
9 contribution that is the greater of 175% of the contribution
10 made by its active employees, or, starting with contributions
11 for the year 2020, such amount as corresponds to an actuarially
12 projected trajectory of 90% solvency for the District Fund, in
13 a layered closed-loop calculation.

14 (15) The provisions of this amendatory Act are necessary to
15 serve the vital public interest of ensuring that the Funds do
16 not become insolvent and can continue making full pension
17 payments well into the future.

18 (16) Through a shared sacrifice approach that entails a mix
19 of increased employer and employee contributions, revisions to
20 cost of living adjustments ("COLAs"), revisions to retirement
21 ages, and the like, those employees and annuitants associated
22 with the Fund will be the demonstrable recipients of markedly
23 increased value, in contrast to the illusory value now
24 available under the current finance-and-benefit regime.

25 (17) The modifications of this amendatory Act are
26 reasonable alterations of the pension rights of annuitants and

1 beneficiaries because, among other things: (a) such
2 modifications will enable annuitants to continue to receive
3 benefits into the future, which is essential to the theory of a
4 pension system and its successful operation; and (b) insofar as
5 any changes to the Funds as a result of this amendatory Act
6 result in disadvantages to annuitants, they are accompanied by
7 new advantages, which in addition to financial solvency include
8 higher cost-of-living adjustments in times of high inflation,
9 the creation of a separate and distinct health care trust to
10 provide health care benefits to annuitants funded at a rate of
11 \$50 million annually, adjusted annually for inflation, and,
12 perhaps most important, the County's and District's assumption
13 of actuarial responsibility for the funding of the Funds, which
14 will have a right to enforce the funding obligations.
15 Furthermore, participants in the Funds will be provided with
16 upside potential and increases in annual cost of living
17 adjustments, as well as decreased contributions in the event
18 that the Funds return to a 100% funded ratio of actuarial
19 assets to liabilities in the future.

20 (18) This amendatory Act distributes the burden of costs to
21 return the Funds to solvency commensurate with the current
22 funding burden between the County and the District on one hand
23 and their employees on the other, equal to approximately 60%
24 for the employers and 40% for the employees. As a result,
25 financial stability for the Funds is preserved without
26 requiring the County or District employees to shoulder a

1 greater share of the financial burden for doing so than they
2 are currently responsible for.

3 (19) Under this amendatory Act, the County Fund is
4 projected to attain a 100% funding status in 2043, based on
5 independent actuarial projections, and the District Fund is
6 projected to attain a 100% funding status in 2042. Absent
7 reforms to Articles 9 and 10 of the Illinois Pension Code,
8 current projections show that the County Fund funding status
9 would be at -33% in 2043 and the District Fund funding status
10 would be at -21% in 2042.

11 (20) Furthermore, this amendatory Act creates a secure,
12 self-adjusting pension system with automatic adjustments from
13 the County and the District, and their employees, and a
14 guarantee of minimum actuarially-based funding from the County
15 and the District.

16 Section 55. The Illinois Public Labor Relations Act is
17 amended by changing Sections 7.5 and 15 as follows:

18 (5 ILCS 315/7.5)

19 Sec. 7.5. Duty to bargain regarding pension amendments.

20 (a) Notwithstanding any provision of this Act, employers
21 shall not be required to bargain over matters affected by the
22 changes, the impact of changes, and the implementation of
23 changes made to Article 14, 15, or 16 of the Illinois Pension
24 Code, or Article 1 of that Code as it applies to those

1 Articles, made by this amendatory Act of the 98th General
2 Assembly, or over any other provision of Article 14, 15, or 16
3 of the Illinois Pension Code, or of Article 1 of that Code as
4 it applies to those Articles, which are prohibited subjects of
5 bargaining; nor shall the changes, the impact of changes, or
6 the implementation of changes made to Article 14, 15, or 16 of
7 the Illinois Pension Code, or to Article 1 of that Code as it
8 applies to those Articles, by this amendatory Act of the 98th
9 General Assembly or any other provision of Article 14, 15, or
10 16 of the Illinois Pension Code, or of Article 1 of that Code
11 as it applies to those Articles, be subject to interest
12 arbitration or any award issued pursuant to interest
13 arbitration. The provisions of this Section shall not apply to
14 an employment contract or collective bargaining agreement that
15 is in effect on the effective date of this amendatory Act of
16 the 98th General Assembly. However, any such contract or
17 agreement that is subsequently modified, amended, or renewed
18 shall be subject to the provisions of this Section. The
19 provisions of this Section shall also not apply to the ability
20 of an employer and employee representative to bargain
21 collectively with regard to the pick up of employee
22 contributions pursuant to Section 14-133.1, 15-157.1, or
23 16-152.1 of the Illinois Pension Code.

24 (a-5) Notwithstanding any other provision of this Act,
25 except with respect to matters associated with pensions
26 provided for in Articles 9 and 10 of the Illinois Pension Code

1 over which the employer has sole and direct authority and
2 control and which are limited to the annual employer
3 contribution required in Section 9-169 in excess of said
4 contribution so required following the effective date of this
5 amendatory Act of the 99th General Assembly, employers shall
6 not be required to bargain over matters affected by the
7 changes, the impact of changes, or the implementation of
8 changes made to Article 9 or 10 of the Illinois Pension Code,
9 or Article 1 of that Code as it applies to those Articles, made
10 by this amendatory Act of the 99th General Assembly, or over
11 any other provision of Article 9 or 10 of the Illinois Pension
12 Code, or of Article 1 of that Code as it applies to those
13 Articles, which are not mandatory subjects of bargaining; nor
14 shall the changes, the impact of changes, or the implementation
15 of changes made to Article 9 or 10 of the Illinois Pension
16 Code, or to Article 1 of that Code as it applies to those
17 Articles, by this amendatory Act of the 99th General Assembly
18 or any other provision of Article 9 or 10 of the Illinois
19 Pension Code, or of Article 1 of that Code as it applies to
20 those Articles, be subject to interest arbitration or any award
21 issued pursuant to interest arbitration. Nothing in this
22 subsection shall be construed as limiting or abridging any
23 other legally permissible subjects of collective bargaining.

24 (b) Nothing in this Section, however, shall be construed as
25 otherwise limiting any of the obligations and requirements
26 applicable to each employer under any of the provisions of this

1 Act, including, but not limited to, the requirement to bargain
2 collectively with regard to policy matters directly affecting
3 wages, hours and terms and conditions of employment as well as
4 the impact thereon upon request by employee representatives,
5 except for the matters deemed prohibited subjects of bargaining
6 under subsection (a) or (a-5) of this Section. Nothing in this
7 Section shall further be construed as otherwise limiting any of
8 the rights of employees or employee representatives under the
9 provisions of this Act, except for matters deemed prohibited
10 subjects of bargaining under subsection (a) or (a-5) of this
11 Section.

12 (c) In case of any conflict between this Section and any
13 other provisions of this Act or any other law, the provisions
14 of this Section shall control.

15 (Source: P.A. 98-599, eff. 6-1-14.)

16 (5 ILCS 315/15) (from Ch. 48, par. 1615)

17 Sec. 15. Act takes precedence.

18 (a) In case of any conflict between the provisions of this
19 Act and any other law (other than Section 5 of the State
20 Employees Group Insurance Act of 1971 and other than the
21 changes made to the Illinois Pension Code by Public Act 96-889
22 and this amendatory Act of the 99th General Assembly and other
23 than as provided in Section 7.5), executive order or
24 administrative regulation relating to wages, hours and
25 conditions of employment and employment relations, the

1 provisions of this Act or any collective bargaining agreement
2 negotiated thereunder shall prevail and control. Nothing in
3 this Act shall be construed to replace or diminish the rights
4 of employees established by Sections 28 and 28a of the
5 Metropolitan Transit Authority Act, Sections 2.15 through 2.19
6 of the Regional Transportation Authority Act. The provisions of
7 this Act are subject to Section 7.5 of this Act and Section 5
8 of the State Employees Group Insurance Act of 1971. Nothing in
9 this Act shall be construed to replace the necessity of
10 complaints against a sworn peace officer, as defined in Section
11 2(a) of the Uniform Peace Officer Disciplinary Act, from having
12 a complaint supported by a sworn affidavit.

13 (b) Except as provided in subsection (a) above, any
14 collective bargaining contract between a public employer and a
15 labor organization executed pursuant to this Act shall
16 supersede any contrary statutes, charters, ordinances, rules
17 or regulations relating to wages, hours and conditions of
18 employment and employment relations adopted by the public
19 employer or its agents. Any collective bargaining agreement
20 entered into prior to the effective date of this Act shall
21 remain in full force during its duration.

22 (c) It is the public policy of this State, pursuant to
23 paragraphs (h) and (i) of Section 6 of Article VII of the
24 Illinois Constitution, that the provisions of this Act are the
25 exclusive exercise by the State of powers and functions which
26 might otherwise be exercised by home rule units. Such powers

1 and functions may not be exercised concurrently, either
2 directly or indirectly, by any unit of local government,
3 including any home rule unit, except as otherwise authorized by
4 this Act.

5 (Source: P.A. 98-599, eff. 6-1-14.)

6 Section 60. The Illinois Pension Code is amended by
7 changing Sections 1-160, 9-112, 9-119.1, 9-121.6, 9-128.1,
8 9-133, 9-133.1, 9-134, 9-146.2, 9-169, 9-170, 9-179.2,
9 9-179.3, 9-184, 9-185, 9-189, 9-195, 9-199, 9-220, 9-239,
10 10-103, and 10-107 and by adding Sections 9-108.3, 9-110.1,
11 9-110.2, 9-112.1, 9-117.1, 9-117.2, 9-117.3, 9-118.5, 9-124.1,
12 9-132.1, 9-133.2, 9-169.1, 9-201.1, and 9-245 as follows:

13 (40 ILCS 5/1-160)

14 Sec. 1-160. Provisions applicable to new hires.

15 (a) The provisions of this Section apply to a person who,
16 on or after January 1, 2011, first becomes a member or a
17 participant under any reciprocal retirement system or pension
18 fund established under this Code, other than a retirement
19 system or pension fund established under Article 2, 3, 4, 5, 6,
20 15 or 18 of this Code, notwithstanding any other provision of
21 this Code to the contrary, but do not apply to any self-managed
22 plan established under this Code, to any person with respect to
23 service as a sheriff's law enforcement employee under Article
24 7, or to any participant of the retirement plan established

1 under Section 22-101. Notwithstanding anything to the contrary
2 in this Section, for purposes of this Section, a person who
3 participated in a retirement system under Article 15 prior to
4 January 1, 2011 shall be deemed a person who first became a
5 member or participant prior to January 1, 2011 under any
6 retirement system or pension fund subject to this Section. The
7 changes made to this Section by Public Act 98-596 are a
8 clarification of existing law and are intended to be
9 retroactive to the effective date of Public Act 96-889,
10 notwithstanding the provisions of Section 1-103.1 of this Code.

11 (b) "Final average salary" means the average monthly (or
12 annual) salary obtained by dividing the total salary or
13 earnings calculated under the Article applicable to the member
14 or participant during the 96 consecutive months (or 8
15 consecutive years) of service within the last 120 months (or 10
16 years) of service in which the total salary or earnings
17 calculated under the applicable Article was the highest by the
18 number of months (or years) of service in that period. For the
19 purposes of a person who first becomes a member or participant
20 of any retirement system or pension fund to which this Section
21 applies on or after January 1, 2011, in this Code, "final
22 average salary" shall be substituted for the following:

23 (1) In Article 7 (except for service as sheriff's law
24 enforcement employees), "final rate of earnings".

25 (2) In Articles 8, 9, 10, 11, and 12, "highest average
26 annual salary for any 4 consecutive years within the last

1 10 years of service immediately preceding the date of
2 withdrawal".

3 (3) In Article 13, "average final salary".

4 (4) In Article 14, "final average compensation".

5 (5) In Article 17, "average salary".

6 (6) In Section 22-207, "wages or salary received by him
7 at the date of retirement or discharge".

8 Beginning January 1, 2016, for Tier 2 employees in service
9 under Article 9 or 10 of this Code, "final average salary" as
10 defined in this subsection (b) shall be determined on an annual
11 basis using the applicable salary cap provided in Section
12 9-112.

13 (b-5) Beginning on January 1, 2011, for all purposes under
14 this Code (including without limitation the calculation of
15 benefits and employee contributions), the annual earnings,
16 salary, or wages (based on the plan year) of a member or
17 participant to whom this Section applies shall not exceed
18 \$106,800; however, that amount shall annually thereafter be
19 increased by the lesser of (i) 3% of that amount, including all
20 previous adjustments, or (ii) one-half the annual unadjusted
21 percentage increase (but not less than zero) in the consumer
22 price index-u for the 12 months ending with the September
23 preceding each November 1, including all previous adjustments.

24 For the purposes of this Section, "consumer price index-u"
25 means the index published by the Bureau of Labor Statistics of
26 the United States Department of Labor that measures the average

1 change in prices of goods and services purchased by all urban
2 consumers, United States city average, all items, 1982-84 =
3 100. The new amount resulting from each annual adjustment shall
4 be determined by the Public Pension Division of the Department
5 of Insurance and made available to the boards of the retirement
6 systems and pension funds by November 1 of each year.

7 However, the provisions of this subsection (b-5) are
8 subject to the contrary provisions of subsection (a-5) of
9 Section 9-112 with respect to service as a Tier 2 employee
10 under Article 9 or 10 of this Code.

11 (c) A member or participant is entitled to a retirement
12 annuity upon written application if he or she has attained age
13 67 (beginning January 1, 2015, age 65 with respect to service
14 under Article 8, 11, or 12 of this Code that is subject to this
15 Section) and has at least 10 years of service credit and is
16 otherwise eligible under the requirements of the applicable
17 Article.

18 A member or participant who has attained age 62 (beginning
19 January 1, 2015, age 60 with respect to service under Article
20 8, 11, or 12 of this Code that is subject to this Section) and
21 has at least 10 years of service credit and is otherwise
22 eligible under the requirements of the applicable Article may
23 elect to receive the lower retirement annuity provided in
24 subsection (d) of this Section.

25 (d) The retirement annuity of a member or participant who
26 is retiring after attaining age 62 (beginning January 1, 2015,

1 age 60 with respect to service under Article 8, 11, or 12 of
2 this Code that is subject to this Section) with at least 10
3 years of service credit shall be reduced by one-half of 1% for
4 each full month that the member's age is under age 67
5 (beginning January 1, 2015, age 65 with respect to service
6 under Article 8, 11, or 12 of this Code that is subject to this
7 Section).

8 (d-5) The provisions of subsections (c) and (d) are subject
9 to the contrary provisions of Sections 9-124.1(e) and 9-133.2
10 with respect to Tier 2 employees and Tier 2 annuitants with
11 service under Article 9 or 10 of this Code.

12 (e) Any retirement annuity or supplemental annuity shall be
13 subject to annual increases on the January 1 occurring either
14 on or after the attainment of age 67 (beginning January 1,
15 2015, age 65 with respect to service under Article 8, 11, or 12
16 of this Code that is subject to this Section) or the first
17 anniversary (the second anniversary with respect to service
18 under Article 8 or 11) of the annuity start date, whichever is
19 later. Each annual increase shall be calculated at 3% or
20 one-half the annual unadjusted percentage increase (but not
21 less than zero) in the consumer price index-u for the 12 months
22 ending with the September preceding each November 1, whichever
23 is less, of the originally granted retirement annuity. If the
24 annual unadjusted percentage change in the consumer price
25 index-u for the 12 months ending with the September preceding
26 each November 1 is zero or there is a decrease, then the

1 annuity shall not be increased.

2 Notwithstanding any provision of this Section to the
3 contrary, with respect to service under Article 8 or 11 of this
4 Code that is subject to this Section, no annual increase under
5 this subsection shall be paid or accrue to any person in year
6 2025. In all other years, the Fund shall continue to pay annual
7 increases as provided in this Section.

8 Notwithstanding Section 1-103.1 of this Code, the changes
9 in this amendatory Act of the 98th General Assembly are
10 applicable without regard to whether the employee was in active
11 service on or after the effective date of this amendatory Act
12 of the 98th General Assembly.

13 However, the provisions of this subsection (e) are subject
14 to the contrary provisions of Section 9-132.1 with respect to
15 Tier 2 annuitants receiving an annuity under Article 9 or 10 of
16 this Code.

17 (f) The initial survivor's or widow's annuity of an
18 otherwise eligible survivor or widow of a retired member or
19 participant who first became a member or participant on or
20 after January 1, 2011 shall be in the amount of 66 2/3% of the
21 retired member's or participant's retirement annuity at the
22 date of death. In the case of the death of a member or
23 participant who has not retired and who first became a member
24 or participant on or after January 1, 2011, eligibility for a
25 survivor's or widow's annuity shall be determined by the
26 applicable Article of this Code. The initial benefit shall be

1 66 2/3% of the earned annuity without a reduction due to age. A
2 child's annuity of an otherwise eligible child shall be in the
3 amount prescribed under each Article if applicable. Any
4 survivor's or widow's annuity shall be increased (1) on each
5 January 1 occurring on or after the commencement of the annuity
6 if the deceased member died while receiving a retirement
7 annuity or (2) in other cases, on each January 1 occurring
8 after the first anniversary of the commencement of the annuity.
9 Each annual increase shall be calculated at 3% or one-half the
10 annual unadjusted percentage increase (but not less than zero)
11 in the consumer price index-u for the 12 months ending with the
12 September preceding each November 1, whichever is less, of the
13 originally granted survivor's annuity. If the annual
14 unadjusted percentage change in the consumer price index-u for
15 the 12 months ending with the September preceding each November
16 1 is zero or there is a decrease, then the annuity shall not be
17 increased.

18 However, the provisions of this subsection (f) are subject
19 to the contrary provisions of Section 9-132.1 with respect to
20 Tier 2 annuitants receiving an annuity under Article 9 or 10 of
21 this Code.

22 (g) The benefits in Section 14-110 apply only if the person
23 is a State policeman, a fire fighter in the fire protection
24 service of a department, or a security employee of the
25 Department of Corrections or the Department of Juvenile
26 Justice, as those terms are defined in subsection (b) of

1 Section 14-110. A person who meets the requirements of this
2 Section is entitled to an annuity calculated under the
3 provisions of Section 14-110, in lieu of the regular or minimum
4 retirement annuity, only if the person has withdrawn from
5 service with not less than 20 years of eligible creditable
6 service and has attained age 60, regardless of whether the
7 attainment of age 60 occurs while the person is still in
8 service.

9 (h) If a person who first becomes a member or a participant
10 of a retirement system or pension fund subject to this Section
11 on or after January 1, 2011 is receiving a retirement annuity
12 or retirement pension under that system or fund and becomes a
13 member or participant under any other system or fund created by
14 this Code and is employed on a full-time basis, except for
15 those members or participants exempted from the provisions of
16 this Section under subsection (a) of this Section, then the
17 person's retirement annuity or retirement pension under that
18 system or fund shall be suspended during that employment. Upon
19 termination of that employment, the person's retirement
20 annuity or retirement pension payments shall resume and be
21 recalculated if recalculation is provided for under the
22 applicable Article of this Code.

23 If a person who first becomes a member of a retirement
24 system or pension fund subject to this Section on or after
25 January 1, 2012 and is receiving a retirement annuity or
26 retirement pension under that system or fund and accepts on a

1 contractual basis a position to provide services to a
2 governmental entity from which he or she has retired, then that
3 person's annuity or retirement pension earned as an active
4 employee of the employer shall be suspended during that
5 contractual service. A person receiving an annuity or
6 retirement pension under this Code shall notify the pension
7 fund or retirement system from which he or she is receiving an
8 annuity or retirement pension, as well as his or her
9 contractual employer, of his or her retirement status before
10 accepting contractual employment. A person who fails to submit
11 such notification shall be guilty of a Class A misdemeanor and
12 required to pay a fine of \$1,000. Upon termination of that
13 contractual employment, the person's retirement annuity or
14 retirement pension payments shall resume and, if appropriate,
15 be recalculated under the applicable provisions of this Code.

16 (i) (Blank).

17 (j) In the case of a conflict between the provisions of
18 this Section and any other provision of this Code, the
19 provisions of this Section shall control, except as otherwise
20 explicitly provided in this Section.

21 (Source: P.A. 97-609, eff. 1-1-12; 98-92, eff. 7-16-13; 98-596,
22 eff. 11-19-13; 98-622, eff. 6-1-14; 98-641, eff. 6-9-14.)

23 (40 ILCS 5/9-108.3 new)

24 Sec. 9-108.3. Security officer.

25 (a) "Security officer" means an employee who, as identified

1 by the employer for the relevant time period:

2 (1) has been deputized by the county sheriff, or has
3 been certified as a law enforcement officer by a training
4 academy accredited by the Illinois Law Enforcement
5 Training Standards Board, or a similar entity; has
6 satisfactorily completed at least 400 hours of law
7 enforcement training by such a training academy; and serves
8 in a capacity that utilizes such training; or

9 (2) provides safety and security services associated
10 with correctional or court facilities and has been
11 certified by a training academy accredited by the Illinois
12 Law Enforcement Training Standards Board, or a similar
13 entity, as having satisfactorily completed at least 400
14 hours of training regarding law enforcement or jail or
15 court safety and security; or

16 (3) provides security and safety services at a juvenile
17 temporary detention facility operated by the County and who
18 has received no less than 6 weeks of training, under
19 standards promulgated by the National Juvenile Detention
20 Association or a similar entity, regarding juvenile
21 justice or youth detention safety and security.

22 (b) Except as provided in subsection (d), an employee
23 determined by the employer to have been a security officer as
24 defined in subsection (a) of this Section prior to the
25 effective date of this Section shall be deemed a security
26 officer dating from the employee's first day of such employment

1 with the employer.

2 (c) An employee who, on or after January 1, 2016, begins
3 employment as a deputy sheriff as defined in subsection (f) of
4 Section 9-128.1 shall be deemed a security officer for the
5 purposes of this Article, provided the employee meets the
6 requirements of subsection (a) of this Section.

7 (d) An employee who is determined by the employer to have
8 been a deputy sheriff as defined in subsection (f) or (j) of
9 Section 9-128.1 prior to the effective date of this Section,
10 may elect to become a security officer for the purposes of this
11 Article, dating from the employee's first day of such
12 employment with the employer, and thereby relinquish any right
13 to receive an annuity computed under Section 9-128.1. An
14 employee so electing shall thereafter contribute to the Fund at
15 the rate provided for security officers and shall not be
16 eligible to receive an annuity computed under Section 9-128.1.

17 (e) Notwithstanding any other provision of this Section, an
18 employee who, on or before June 30, 2015, began employment as a
19 deputy sheriff as defined in subsection (f) or (j) of Section
20 9-128.1 and who does not make an election to become a security
21 officer under subsection (d) of this Section shall not be
22 deemed to be a security officer for the purposes of this
23 Article with respect to any service rendered as a deputy
24 sheriff as defined in subsection (f) or (j) of Section 9-128.1.
25 Such an employee shall continue to contribute to the Fund at
26 the rate prescribed for such deputy sheriffs for as long as he

1 or she is so employed, and may elect to receive an annuity
2 computed as provided in Section 9-128.1 upon meeting the
3 eligibility requirements under that Section.

4 (40 ILCS 5/9-110.1 new)

5 Sec. 9-110.1. Tier 1 employee; Tier 1 annuitant.

6 "Tier 1 employee" means an employee, contributor, or
7 participant under this Article who first became a participant
8 or member before January 1, 2011 under any reciprocal
9 retirement system or pension fund established under this Code,
10 other than one established under Article 2, 3, 4, 5, 6, or 18
11 of this Code.

12 "Tier 1 annuitant" means an annuitant who is a former Tier
13 1 employee under this Article or whose annuity derives from the
14 service of a former Tier 1 employee under this Article.

15 (40 ILCS 5/9-110.2 new)

16 Sec. 9-110.2. Tier 2 employee; Tier 2 annuitant.

17 "Tier 2 employee" means an employee, contributor, or
18 participant under this Article who is not a Tier 1 employee.

19 "Tier 2 annuitant" means an annuitant who is a former Tier
20 2 employee under this Article or whose annuity derives from the
21 service of a former Tier 2 employee under this Article.

22 (40 ILCS 5/9-112) (from Ch. 108 1/2, par. 9-112)

23 Sec. 9-112. Salary. "Salary": Annual salary of an employee

1 under this Article as follows:

2 (a) Beginning on the effective date and prior to July 1,
3 1947 \$3000 shall be the maximum amount of annual salary of any
4 employee to be considered for the purposes of this Article; and
5 beginning on July 1, 1947 and prior to July 1, 1953, said
6 maximum amount shall be \$4800; and beginning on July 1, 1953
7 and prior to July 1, 1957 said maximum amount shall be \$6,000;
8 and from beginning on July 1, 1957 through June 30, 2015,
9 salary shall be based upon the actual sum paid and reported to
10 the Fund, exclusive of overtime and extra service.

11 (a-5) Beginning January 1, 2016, the maximum amount of
12 annual salary of any employee of the County to be considered
13 for the purposes of this Article shall be the greater of:

14 (1) for Tier 1 and Tier 2 employees, the annual
15 contribution and benefit base established for the
16 applicable year by the Commissioner of Social Security
17 under the United States Social Security Act; or

18 (2) for Tier 1 employees only, the participant's annual
19 salary or annualized wage calculated under this Article as
20 of December 31, 2015, based upon the rate reported to the
21 Fund and adjusted to reflect the actual hours paid during
22 the year ending on that date; provided, however, that such
23 amount shall annually thereafter be increased as provided
24 in subsection (a-10).

25 However, in no event shall the annual salary for the
26 purposes of this Article exceed any limitation imposed on

1 earnings under Section 1-117 of this Code.

2 Under no circumstances shall the maximum amount of annual
3 salary be greater than the amount set forth in this subsection
4 as a result of reciprocal service or any provision regarding
5 reciprocal service, nor shall the Fund be required to pay any
6 refund as a result of the application of this maximum annual
7 salary cap.

8 (a-10) Subject to the other restrictions of subsection
9 (a-5), the amount of maximum salary specified in item (2) of
10 subsection (a-5) shall be increased on January 1, 2016 and
11 annually thereafter by the lesser of (i) 3% of that amount,
12 including all previous adjustments, or (ii) one-half the annual
13 unadjusted percentage increase (but not less than zero) in the
14 consumer price index-u for the 12 months ending with the
15 September preceding that January 1, including all previous
16 adjustments.

17 For the purposes of this Section, "consumer price index-u"
18 means the index published by the Bureau of Labor Statistics of
19 the United States Department of Labor that measures the average
20 change in prices of goods and services purchased by all urban
21 consumers, United States city average, all items, 1982-84 =
22 100.

23 The percentage increase resulting from each annual
24 adjustment shall be determined by the Public Pension Division
25 of the Department of Insurance and made available to the
26 retirement board of this Fund and the Article 10 Fund by

1 November 1 of each year.

2 (b) (Blank).

3 (c) Where the county provides lodging, board and laundry
4 service for an employee without charge and so reports to the
5 Fund while the employee is receiving such lodging, board and
6 laundry service, his salary shall be considered to be \$480 a
7 year more for the period from the effective date to August 1,
8 1959 and thereafter \$960 more than the amount payable as salary
9 for the year, and the salary of an employee for whom one or
10 more daily meals are provided by the county without charge
11 therefor and are reported by the county to the Fund while the
12 employee is receiving such meals shall be considered to be \$120
13 a year more for each such daily meal for the period from the
14 effective date to August 1, 1959 and thereafter \$240 more for
15 each such daily meal than the amount payable as his salary for
16 the year.

17 (d) For the purposes of ordinary disability, salary shall
18 be based upon the rate reported to the Fund at the date of
19 disability and adjusted to reflect the actual hours paid during
20 the prior year.

21 (Source: P.A. 98-551, eff. 8-27-13.)

22 (40 ILCS 5/9-112.1 new)

23 Sec. 9-112.1. Average annual salary.

24 (a) For Tier 1 employees who withdraw from employment by
25 the County before January 1, 2016, "average annual salary"

1 means the total salary, as calculated in accordance with this
2 Article, for the 48 consecutive months out of the last 120
3 months of service for which that total is highest, divided by
4 48 and then multiplied by 12.

5 (b) For Tier 1 employees who withdraw from employment by
6 the County in the year 2016 or thereafter, "average annual
7 salary" means the total salary, as calculated in accordance
8 with this Article, for the x consecutive months out of the last
9 120 months of service for which that total is highest, divided
10 by x and then multiplied by 12. For purposes of this
11 calculation, "x" is a number determined by the month of
12 withdrawal from employment by the County, equal to 48 for
13 withdrawal before January 2016, equal to 49 for withdrawal in
14 January 2016, increasing by one for each month thereafter
15 through December 2019, and equal to 96 for withdrawal in
16 December 2019 or any month thereafter.

17 (c) For Tier 2 employees who withdraw from employment by
18 the County in the year 2015 or in any year thereafter, "average
19 annual salary" shall mean "final average salary" as defined in
20 subsection (b) of Section 1-160, determined on an annual basis,
21 but under the applicable salary cap provided in Section 9-112.

22 (40 ILCS 5/9-117.1 new)

23 Sec. 9-117.1. Funded ratio. "Funded ratio" means the ratio
24 of the actuarial value of the Fund's assets to the actuarial
25 value of the Fund's liabilities, based on a formula that

1 utilizes the technique of asset smoothing to amortize any gains
2 or losses of investment returns relative to actuarially assumed
3 rates of return over a multi-year period of 5 years, and a
4 discount rate for liabilities that reflects the actuarial
5 assumption for return on assets.

6 (40 ILCS 5/9-117.2 new)

7 Sec. 9-117.2. Annual Actuarial Report. "Annual Actuarial
8 Report" means an annual actuarial report of the Fund, produced
9 by an actuary who is a member in good standing of the American
10 Academy of Actuaries and is retained and approved by the
11 retirement board. The Annual Actuarial Report shall include,
12 but not be limited to: (1) a statement of the actuarial value
13 of the Fund's assets as projected over 30 years' time and the
14 actuarial value of the Fund's liabilities as projected over the
15 same period of time; and (2) the Minimum Required Employer
16 Contribution for the second year immediately following the year
17 ending on the valuation date upon which the Annual Actuarial
18 Report is based.

19 The Annual Actuarial Report may be prepared as part of the
20 annual audit required under Section 9-195. The Annual Actuarial
21 Report shall be reviewed and formally adopted by the retirement
22 board and shall be included in the annual report that is
23 required to be submitted to the County in July of each year
24 under Section 9-199.

1 (40 ILCS 5/9-117.3 new)

2 Sec. 9-117.3. Minimum Required Employer Contribution.
3 "Minimum Required Employer Contribution" for a specified year
4 means the amount, as set forth in an Annual Actuarial Report,
5 that shall be determined based on a formula that is the sum of
6 (i) the total normal cost for the valuation year, and (ii) a
7 "90% Amortization Payment" as described in the following
8 paragraph, less (iii) the projected member contributions for
9 the second year immediately following the year ending on the
10 valuation date upon which the Annual Actuarial Report is based.
11 Items (i) and (ii) of this paragraph shall be computed as of
12 the actuarial valuation date of said annual actuarial report.

13 The initial 90% Amortization Payment for the year 2020 will
14 make use of a 30-year amortization schedule in a calculation as
15 contained in the annual actuarial report as of December 31,
16 2018; the 90% Amortization Payment will be based on a 30-year
17 level percent of pay amortization of the difference between (i)
18 90% of the actuarial accrued liability and (ii) the actuarial
19 value of assets, both computed as of the actuarial valuation
20 date. The above referenced difference between 90% of the
21 actuarial accrued liability and the actuarial value of assets
22 shall be referred to as the initial 90% Amortization Amount. An
23 amortization schedule of this initial 90% Amortization Amount
24 shall be established and maintained by the Fund as developed by
25 an independent actuary. With each subsequent valuation, the
26 actuary will establish a new 90% amortization amount for the

1 second year immediately following the year ending on the
2 valuation date upon which the Annual Actuarial Report is based,
3 which shall be based on a 30-year level percent of pay
4 amortization of (i) the difference between 90% of the actuarial
5 accrued liability as of the valuation date and the actuarial
6 value of assets as of the valuation date; (ii) the outstanding
7 balance of the amortization schedule developed in the previous
8 annual actuarial report updated as of the new valuation date.
9 The 90% Amortization Payment as of the valuation date will be
10 the sum of all amortization payments contained in a 30-year
11 layered amortization schedule as of said valuation date.

12 For purposes of determining the Minimum Required Employer
13 Contribution, the calculation will make use of (i) a discount
14 rate for liabilities that reflects the actuarial assumption for
15 return on assets; (ii) an actuarial smoothing methodology to
16 amortize any investment gains or losses relative to actuarial
17 assumed rates of return over a period of 5 years; and (iii) an
18 entry age normal calculation method for employee benefits. The
19 aforementioned assumptions and methods may be amended as
20 recommended by an independent actuary engaged by the Fund, and
21 in compliance with actuarial standards of practice and as
22 adopted by no less than 8 votes in the affirmative by the
23 trustees of the Fund.

24 (40 ILCS 5/9-118.5 new)

25 Sec. 9-118.5. Annuitant. "Annuitant": A person receiving

1 an age and service annuity, a prior service annuity, a widow's
2 annuity, a widow's prior service annuity, a minimum annuity, or
3 a child's annuity under this Article.

4 (40 ILCS 5/9-119.1)

5 Sec. 9-119.1. Earned annuity. "Earned annuity": (1) The
6 annuity a participant has accrued as provided in Section
7 9-133.2 or 9-134, disregarding minimum age and service
8 eligibility requirements and without any reduction due to age,
9 or (2) the age and service annuity as provided in Sections
10 9-125 through 9-128, inclusive.

11 (Source: P.A. 98-551, eff. 8-27-13.)

12 (40 ILCS 5/9-121.6) (from Ch. 108 1/2, par. 9-121.6)

13 Sec. 9-121.6. Alternative annuity for county officers.

14 (a) Prior to January 1, 2016, any ~~Any~~ county officer
15 elected by vote of the people may elect to establish
16 alternative credits for an alternative annuity by electing in
17 writing to make additional optional contributions in
18 accordance with this Section and procedures established by the
19 board. Such elected county officer may discontinue making the
20 additional optional contributions by notifying the Fund in
21 writing in accordance with this Section and procedures
22 established by the board.

23 Additional optional contributions for the alternative
24 annuity shall be as follows:

1 (1) For service after the option is elected, an
2 additional contribution of 3% of salary shall be
3 contributed to the Fund on the same basis and under the
4 same conditions as contributions required under Sections
5 9-170 and 9-176.

6 (2) For service before the option is elected, an
7 additional contribution of 3% of the salary for the
8 applicable period of service, plus interest at the
9 effective rate from the date of service to the date of
10 payment. All payments for past service must be paid in full
11 before credit is given. No additional optional
12 contributions may be made for any period of service for
13 which credit has been previously forfeited by acceptance of
14 a refund, unless the refund is repaid in full with interest
15 at the effective rate from the date of refund to the date
16 of repayment.

17 (b) In lieu of the retirement annuity otherwise payable
18 under this Article, any county officer elected by vote of the
19 people who (1) has elected to participate in the Fund and has,
20 prior to January 1, 2016, made ~~make~~ additional optional
21 contributions in accordance with this Section, and (2) has
22 attained the minimum age specified below ~~age 60~~ with at least
23 10 years of service credit as an elected county officer, or has
24 attained age 65 with at least 8 years of service credit as an
25 elected county officer, may elect to have his retirement
26 annuity computed as follows:

1 For service as an elected official prior to January 1,
2 2016, 3% of the participant's average annual salary at the time
3 of termination of service for each of the first 8 years of
4 service credit, plus 4% of such average annual salary for each
5 of the next 4 years of service credit, plus 5% of such average
6 annual salary for each year of service credit in excess of 12
7 years, subject to a maximum of 80% of such average annual
8 salary.

9 For service as an elected county officer on or after
10 January 1, 2016, 2.9% of the participant's average annual
11 salary at the time of termination of service for each of the
12 first 8 years of service credit, plus 3.9% of such average
13 annual salary for each of the next 4 years of service credit,
14 plus 4.9% of such average annual salary for each year of
15 service credit in excess of 12 years, subject to a maximum of
16 80% of such average annual salary; except that beginning with
17 service in 2020, in the second year immediately following any
18 year for which the Annual Actuarial Report of the Fund
19 determines that the Fund's actuarial assets are less than 59%
20 of the Fund's actuarial liabilities, the percentage of average
21 annual salary to be used for service credit from that second
22 immediately following year shall be reduced by 0.10% of average
23 annual salary from the percentage otherwise specified in this
24 Section.

25 Beginning January 1, 2016, an elected county officer with
26 at least 10 years of service credit as an elected county

1 officer is not eligible to begin receiving an annuity under
2 this subsection (b) until he or she has attained the following
3 specified minimum age: age 60 if the annuity begins in 2015;
4 age 61 if the annuity begins in 2016 or 2017; age 62 if the
5 annuity begins in 2018 or 2019; age 63 if the annuity begins in
6 2020 or 2021; age 64 if the annuity begins in 2022 or 2023; or
7 age 65 if the annuity begins in 2024 or thereafter.

8 An elected county officer who does not elect to receive an
9 annuity under this Section may elect to receive a refund of the
10 difference between the contributions made under this Section
11 and the contributions that would have been made for such
12 service if it were not as an elected county officer, including
13 interest at the rate established in Section 9-151.

14 To the extent an ~~such~~ elected county officer has made
15 additional optional contributions with respect to only a
16 portion of his years of service credit, his retirement annuity
17 will first be determined in accordance with this Section to the
18 extent such additional optional contributions were made, and
19 then in accordance with the remaining Sections of this Article
20 to the extent of years of service credit with respect to which
21 additional optional contributions were not made.

22 (c) In lieu of the disability benefits otherwise payable
23 under this Article, any county officer elected by vote of the
24 people who (1) has elected to participate in the Fund, and (2)
25 has become permanently disabled and as a consequence is unable
26 to perform the duties of his office, and (3) was making

1 optional contributions in accordance with this Section at the
2 time the disability was incurred, may elect to receive a
3 disability annuity calculated in accordance with the formula in
4 subsection (b). For the purposes of this subsection, such
5 elected county officer shall be considered permanently
6 disabled only if: (i) disability occurs while in service as an
7 elected county officer and is of such a nature as to prevent
8 him from reasonably performing the duties of his office at the
9 time; and (ii) the board has received a written certification
10 by at least 2 licensed physicians appointed by it stating that
11 such officer is disabled and that the disability is likely to
12 be permanent.

13 (d) Refunds of additional optional contributions shall be
14 made on the same basis and under the same conditions as
15 provided under Section 9-164, 9-166 and 9-167. Interest shall
16 be credited at the effective rate on the same basis and under
17 the same conditions as for other contributions. Optional
18 contributions under this Section shall be included in the
19 amount of employee contributions used to compute the tax levy
20 under Section 9-169.

21 (e) The effective date of this plan of optional alternative
22 benefits and contributions shall be January 1, 1988, or the
23 date upon which approval is received from the U.S. Internal
24 Revenue Service, whichever is later. The plan of optional
25 alternative benefits and contributions shall not be available
26 to any former county officer or employee receiving an annuity

1 from the Fund on the effective date of the plan, unless he
2 re-enters service as an elected county officer and renders at
3 least 3 years of additional service after the date of re-entry.

4 (f) Any elected county officer who was entitled to receive
5 a stipend from the State on or after July 1, 2009 and on or
6 before June 30, 2010 may establish earnings credit for the
7 amount of stipend not received, if the elected county official
8 applies in writing to the fund within 6 months after the
9 effective date of this amendatory Act of the 96th General
10 Assembly and pays to the fund an amount equal to (i) employee
11 contributions on the amount of stipend not received, (ii)
12 employer contributions determined by the Board equal to the
13 employer's normal cost of the benefit on the amount of stipend
14 not received, plus (iii) interest on items (i) and (ii) at the
15 actuarially assumed rate.

16 (g) The plan of optional alternative benefits and
17 contributions authorized under this Section applies only to
18 county officers elected by vote of the people on or before
19 January 1, 2008 (the effective date of Public Act 95-654).

20 (h) For the purposes of Section 1-103.1, the changes made
21 to this Section by this amendatory Act of the 99th General
22 Assembly are not limited to persons in service on or after the
23 effective date of this amendatory Act.

24 (Source: P.A. 95-369, eff. 8-23-07; 95-654, eff. 1-1-08;
25 95-876, eff. 8-21-08; 96-961, eff. 7-2-10.)

1 (40 ILCS 5/9-124.1 new)

2 Sec. 9-124.1. Minimum age requirements for certain
3 annuities granted on or after January 1, 2016.

4 (a) Beginning January 1, 2016, eligibility to begin
5 receiving an age and service annuity calculated under Section
6 9-125, 9-126, 9-127, or 9-128 of this Article and the method of
7 calculating that annuity shall be subject to the requirements
8 of this Section.

9 (b) Beginning January 1, 2016, a Tier 1 employee who has
10 less than 30 years of service shall not be entitled to begin
11 receiving an age and service annuity under Section 9-125,
12 9-126, 9-127, or 9-128 unless he or she has attained the
13 following specified minimum age: age 60 if the annuity begins
14 in 2015; age 61 if the annuity begins in 2016 or 2017; age 62 if
15 the annuity begins in 2018 or 2019; age 63 if the annuity
16 begins in 2020 or 2021; age 64 if the annuity begins in 2022 or
17 2023; or age 65 if the annuity begins in 2024 or thereafter.
18 This minimum age requirement is in addition to any age
19 requirement provided under the specified Sections of this
20 Article.

21 (c) Beginning January 1, 2016, a Tier 1 employee who has at
22 least 30 years of service shall not be entitled to begin
23 receiving an age and service annuity under Section 9-125,
24 9-126, 9-127, or 9-128 unless he or she has attained the
25 following specified minimum age: age 50 if the annuity begins
26 in 2015; age 51 if the annuity begins in 2016 or 2017; age 52 if

1 the annuity begins in 2018 or 2019; age 53 if the annuity
2 begins in 2020 or 2021; age 54 if the annuity begins in 2022 or
3 2023; or age 55 if the annuity begins in 2024 or thereafter.
4 This minimum age requirement is in addition to any age
5 requirement provided under the specified Sections of this
6 Article.

7 (d) Beginning July 1, 2015, a Tier 1 employee who has at
8 least 30 years of service, with at least the final 10 years of
9 service as a county security officer, shall not be entitled to
10 begin receiving an age and service annuity under Section 9-125,
11 9-126, 9-127, or 9-128 unless he or she has attained age 50.
12 This minimum age requirement is in addition to any age
13 requirement provided under the specified Sections of this
14 Article.

15 (e) Beginning July 1, 2015, a Tier 1 or Tier 2 county
16 security officer who has at least 10 years of service as a
17 county security officer but does not qualify under subsection
18 (d) shall not be entitled to begin receiving an age and service
19 annuity under Section 9-125, 9-126, 9-127, or 9-128 unless he
20 or she has attained the following specified minimum age: age 60
21 if the annuity begins in 2015; age 61 if the annuity begins in
22 2016 or 2017; or age 62 if the annuity begins in 2018 or
23 thereafter. This minimum age requirement is in addition to any
24 age requirement provided under the specified Sections of this
25 Article.

26 (f) For the purposes of Section 1-103.1, the application of

1 this Section is not limited to persons in service on or after
2 the effective date of this amendatory Act of the 99th General
3 Assembly.

4 (40 ILCS 5/9-128.1) (from Ch. 108 1/2, par. 9-128.1)

5 Sec. 9-128.1. Annuities for members of the County Police
6 Department.

7 (a) In lieu of the regular or minimum annuity or annuities,
8 ~~for~~ any deputy sheriff who is a member of a County Police
9 Department and was recognized as such a member as of December
10 31, 2015, and who has been paying into the Fund at the rate
11 prescribed for members of the County Police Department, he may,
12 upon withdrawal from service after not less than 20 years of
13 service in the position of deputy sheriff as defined below,
14 upon or after attainment of age 55, receive a total annuity
15 equal to 2% for each year of service based upon his ~~highest~~
16 average annual salary ~~for any 4 consecutive years within the~~
17 ~~last 10 years of service immediately preceding the date of~~
18 ~~withdrawal from service,~~ subject to a maximum annuity equal to
19 75% of such average annual salary.

20 (b) Any deputy sheriff who withdraws from the service after
21 July 1, 1979 and was recognized as a deputy sheriff as of
22 December 31, 2015, and who has been paying into the Fund at the
23 rate prescribed for members of the County Police Department,
24 after having attained age 53 in the service with 23 or more
25 years of service credit in the position of deputy sheriff as

1 determined by the County, shall be entitled to an annuity
2 computed as follows if such annuity is greater than that
3 provided in the foregoing paragraphs of this Section 9-128.1:
4 An annuity equal to 50% of his ~~the~~ average annual salary ~~for~~
5 ~~the 4 highest consecutive years of the last 10 years of service~~
6 plus additional annuity equal to 2% of such average annual
7 salary for each completed year of service or fraction thereof
8 rendered after his attainment of age 53 and the completion of
9 23 years of service, plus an additional annuity equal to 1% of
10 such average annual salary for each completed year of service
11 or fraction thereof in excess of 23 years up to age 53.

12 (c) Any deputy sheriff who withdraws from the service after
13 December 31, 1987 and was recognized as a deputy sheriff as of
14 December 31, 2015, and who has been paying into the Fund at the
15 rate prescribed for members of the County Police Department,
16 with 20 or more years of service credit as determined by the
17 County, shall be entitled, upon attainment of age 50, to an
18 annuity computed as follows if such annuity is greater than
19 that provided in the foregoing paragraphs of this Section
20 9-128.1: An annuity equal to 50% of his ~~the~~ average annual
21 salary ~~for the 4 highest consecutive years of the last 10 years~~
22 ~~of service,~~ plus additional annuity ~~equal to 2% of such average~~
23 ~~salary~~ for each completed year of service or fraction thereof
24 in excess of 20 years computed at the following rates:-

25 (i) for years of service beginning before January 1,
26 2016, 2.0% of average annual salary;

1 (ii) for years of service beginning on or after January
2 1, 2016, 1.8% of average annual salary unless item (iii)
3 applies;

4 (iii) for years of service to which this item (iii)
5 applies, 1.7% of average annual salary. This item (iii)
6 applies only to years of service in 2020 or thereafter, and
7 only if the Annual Actuarial Report of the Fund for the
8 second immediately preceding year determined that the
9 Fund's actuarial assets were less than 59% of the Fund's
10 actuarial liabilities.

11 (d) (Blank). ~~A deputy sheriff who reaches compulsory~~
12 ~~retirement age and who has less than 23 years of service shall~~
13 ~~be entitled to a minimum annuity equal to an amount determined~~
14 ~~by the product of (1) his years of service and (2) 2% of his~~
15 ~~average salary for the 4 consecutive highest years of salary~~
16 ~~within the last 10 years of service immediately prior to his~~
17 ~~reaching compulsory retirement age.~~

18 (e) Any deputy sheriff who retires after January 1, 1984
19 and elects to receive an annuity under this Section, and who
20 has credits under this Article for service not as a deputy
21 sheriff, shall be entitled to receive, in addition to the
22 amount of annuity otherwise provided under this Section, an
23 additional amount of annuity provided from the totals
24 accumulated to his credit for prior service and age and service
25 annuities for such service not as a deputy sheriff.

26 (f) The term "deputy sheriff" means an employee charged

1 with the duty of law enforcement as a deputy sheriff as
2 specified in Section 1 of "An Act in relation to County Police
3 Departments in certain Counties, creating a County Police
4 Department Merit Board and defining its powers and duties",
5 approved August 5, 1963, who rendered service in such position
6 before and after such date.

7 The terms "deputy sheriff" and "member of a County Police
8 Department" shall also include an elected sheriff of the county
9 who has elected to become a contributor and who has submitted
10 to the board his written election to be included within the
11 provisions of this Section. With respect to any such sheriff,
12 service as the elected sheriff of the county shall be deemed to
13 be service in the position of deputy sheriff for the purposes
14 of this Section provided that the employee contributions
15 therefor are made at the rate prescribed for members of the
16 County Police Department. A sheriff electing to be included
17 under this Section may also elect to have his service as
18 sheriff of the county before the date of such election included
19 as service as a deputy sheriff for the purposes of this
20 Section, by making an additional contribution for each year of
21 such service, equal to the difference between the amount he
22 would have contributed to the Fund during such year had he been
23 contributing at the rate then in effect for members of the
24 County Police Department and the amount actually contributed,
25 plus interest thereon at the rate of 6% per annum from the end
26 of such year to the date of payment.

1 (g) In no case shall an annual annuity provided in this
2 Section 9-128.1 exceed 80% of the average annual salary ~~for any~~
3 ~~4 consecutive years within the last 10 years of service~~
4 ~~immediately preceding the date of withdrawal from service.~~

5 A deputy sheriff may in addition, be entitled to the
6 benefits provided by Section 9-133 or 9-133.1 if he so
7 qualifies under such Sections.

8 (h) A deputy sheriff may elect, between January 1 and
9 January 15, 1983, to transfer his creditable service as a
10 member of the State Employees' Retirement System of Illinois to
11 any Fund established under this Article of which he is a
12 member, and such transferred creditable service shall be
13 included as service for the purpose of calculating his benefits
14 under this Article to the extent that the payment specified in
15 Section 14-105.3 has been received by such Fund.

16 (i) An active deputy sheriff who has at least 15 years of
17 service credit in that capacity may elect to have any or all of
18 his credits under this Article for service not as a deputy
19 sheriff deemed to be credits for service as a deputy sheriff,
20 by filing a written election with the Board, accompanied by
21 payment of an amount to be determined by the Board, equal to
22 (1) the difference between the amount of employee contributions
23 actually contributed by the applicant for such service not as a
24 deputy sheriff, and the amounts that would have been
25 contributed had such contributions been made at the rates
26 applicable to service as a deputy sheriff, plus (2) interest

1 thereon at the rate of 3% per annum, compounded annually, from
2 the date of service to the date of payment.

3 (j) Beginning on the effective date of this amendatory Act
4 of 1996, the terms "deputy sheriff" and "member of a County
5 Police Department" shall also include any chief of the County
6 Police Department or undersheriff of the County Sheriff's
7 Department who has submitted to the board his or her written
8 election to be included within the provisions of this Section.
9 With respect to any such police chief or undersheriff, service
10 as a chief of the County Police Department or an undersheriff
11 of the County Sheriff's Department shall be deemed to be
12 service in the position of deputy sheriff for the purposes of
13 this Section, provided that the employee contributions
14 therefor are made at the rate prescribed for members of the
15 County Police Department.

16 A chief of the County Police Department or undersheriff of
17 the County Sheriff's Department electing to be included under
18 this Section may also elect to have his or her service as chief
19 of the County Police Department or undersheriff of the County
20 Sheriff's Department before the date of the election included
21 as service as a deputy sheriff for the purposes of this
22 Section, by making an additional contribution for each year of
23 such service, equal to the difference between the amount that
24 he or she would have contributed to the Fund during that year
25 at the rate then in effect for members of the County Police
26 Department and the amount actually contributed, plus interest

1 thereon at the rate of 6% per year, compounded annually, from
2 the end of that year to the date of payment.

3 A chief of the County Police Department or undersheriff of
4 the County Sheriff's Department who has elected to be included
5 within the provisions of this Section may transfer to this Fund
6 credits and creditable service accumulated under any pension
7 fund or retirement system established under Article 3, 7, 8,
8 14, or 15, upon payment to the Fund of (1) the amount by which
9 the employee contributions that would have been required if he
10 or she had participated in this Fund during the period for
11 which credit is being transferred, plus interest, plus an equal
12 amount for employer contributions, exceeds the amounts
13 actually transferred from that other fund or system to this
14 Fund, plus (2) interest thereon at 6% per year, compounded
15 annually, from the date of transfer to the date of payment.

16 A chief of the County Police Department or undersheriff of
17 the County Sheriff's Department may purchase credits and
18 creditable service for up to 2 years of public employment
19 rendered to an out-of-state public agency. Payment for that
20 service shall be at the applicable rates in effect for employee
21 and employer contributions during the period for which credit
22 is being purchased, plus interest at the rate of 6% per year,
23 compounded annually, from the date of service until the date of
24 payment.

25 (k) For the purposes of Section 1-103.1, the changes made
26 to this Section by this amendatory Act of the 99th General

1 Assembly are not limited to persons in service on or after the
2 effective date of this amendatory Act.

3 (Source: P.A. 89-643, eff. 8-9-96.)

4 (40 ILCS 5/9-132.1 new)

5 Sec. 9-132.1. Hedge against inflation; adjusted annual
6 increase in annuity.

7 (a) In the event of a conflict, the provisions of this
8 Section are intended to control over any contrary provision of
9 this Article or of Section 1-160 of this Code; in addition,
10 subsection (f) of this Section is intended to control over
11 subsections (c), (d), and (e).

12 (b) As used in this Section:

13 "Consumer price index-u" means the index published by the
14 Bureau of Labor Statistics of the United States Department of
15 Labor that measures the average change in prices of goods and
16 services purchased by all urban consumers, United States city
17 average, all items, 1982-84 = 100. The new amount resulting
18 from each annual adjustment shall be determined by the Public
19 Pension Division of the Department of Insurance and made
20 available to the retirement board by November 1 of each year.

21 "Compound calculation" means that the increase is
22 calculated as a percentage of the annuity payable at the time
23 of the increase, including all previous increases in that
24 annuity.

25 "Simple calculation" means that the increase is calculated

1 as a percentage of the amount of annuity originally granted,
2 excluding any previous increases in that annuity.

3 (c) For a Tier 1 annuitant who began receiving an annuity
4 under this Article on or before December 31, 2015 (or after
5 that date if the annuity derives from the death of a Tier 1
6 annuitant who began receiving an annuity on or before that
7 date), the rate of annual increase in that annuity shall remain
8 at 3% in a compound calculation, except as follows:

9 (1) In 2016, no such annuitant shall receive an annual
10 increase.

11 (2) Beginning with the annual increase in 2020, in the
12 second year immediately following any year for which the
13 Annual Actuarial Report of the Fund determines that the
14 Fund's actuarial assets are less than 59% of the Fund's
15 actuarial liabilities, the rate of annual increase in that
16 annuity shall be 0%.

17 (d) For a Tier 1 annuitant who first receives an annuity
18 after December 31, 2015 and is not subject to subsection (c),
19 the rate of annual increase in that annuity through the year
20 2019 shall be the greater of 2% or the rate of one-half the
21 annual unadjusted percentage increase in the consumer price
22 index-u for the 12 months ending with the September preceding
23 the date of the increase, but not to exceed 4%, in a compound
24 calculation. However, no such annuitant shall receive an annual
25 increase in annuity in 2016.

26 Beginning with the annual increase in 2020, the rate of

1 annual increase in that annuity shall depend on the funded
2 ratio of the Fund as follows:

3 (1) In the second year immediately following any year
4 for which the Annual Actuarial Report of the Fund
5 determines that the Fund's actuarial assets are equal to or
6 greater than 59% but less than 100% of the Fund's actuarial
7 liabilities, the rate of annual increase in that annuity
8 shall be the greater of 2% or the rate of one-half the
9 annual unadjusted percentage increase in the consumer
10 price index-u for the 12 months ending with the September
11 preceding the date of the increase, but not to exceed 4%,
12 in a compound calculation.

13 (2) In the second year immediately following any year
14 for which the Annual Actuarial Report of the Fund
15 determines that the Fund's actuarial assets are equal to or
16 greater than 100% of the Fund's actuarial liabilities, the
17 rate of annual increase in that annuity shall be the
18 greater of 3% or the rate of one-half the annual unadjusted
19 percentage increase in the consumer price index-u for the
20 12 months ending with the September preceding the date of
21 the increase, but not to exceed 4%, in a compound
22 calculation.

23 (3) In the second year immediately following any year
24 for which the Annual Actuarial Report of the Fund
25 determines that the Fund's actuarial assets are less than
26 59% of the Fund's actuarial liabilities, the rate of annual

1 increase in that annuity shall be 0%.

2 (e) For a Tier 2 annuitant, the rate of annual increase in
3 that annuity through the year 2019 shall be the lesser of 3% or
4 the rate of one-half the annual unadjusted percentage increase
5 in the consumer price index-u for the 12 months ending with the
6 September preceding the date of the increase (but not less than
7 zero), in a simple calculation. However, no such annuitant
8 shall receive an annual increase in annuity in 2016.

9 Beginning with the annual increase in 2020, the rate of
10 annual increase in that annuity shall depend on the funded
11 ratio of the Fund as follows:

12 (1) In the second year immediately following any year
13 for which the Annual Actuarial Report of the Fund
14 determines that the Fund's actuarial assets are equal to or
15 greater than 59% but less than 100% of the Fund's actuarial
16 liabilities, the rate of annual increase in that annuity
17 shall be the lesser of 3% or the rate of one-half the
18 annual unadjusted percentage increase in the consumer
19 price index-u for the 12 months ending with the September
20 preceding the date of the increase (but not less than
21 zero), in a simple calculation.

22 (2) In the second year immediately following any year
23 for which the Annual Actuarial Report of the Fund
24 determines that the Fund's actuarial assets are equal to or
25 greater than 100% of the Fund's actuarial liabilities, the
26 rate of annual increase in that annuity shall be the

1 greater of 2% or the rate of one-half the annual unadjusted
2 percentage increase in the consumer price index-u for the
3 12 months ending with the September preceding the date of
4 the increase, but not to exceed 4%, in a simple
5 calculation.

6 (3) In the second year immediately following any year
7 for which the Annual Actuarial Report of the Fund
8 determines that the Fund's actuarial assets are less than
9 59% of the Fund's actuarial liabilities, the rate of annual
10 increase in that annuity shall be 0%.

11 (f) Notwithstanding the foregoing provisions of this
12 Section, the following provisions apply as specified to certain
13 initial annual increases in annuity granted after January 1,
14 2016:

15 (1) A Tier 1 employee who retires on annuity and first
16 receives an annual increase in that annuity after January
17 1, 2016 shall not receive the initial annual increase in
18 that annuity until the first day of January immediately
19 following the 24-month period that follows the employee's
20 receipt of the annuity.

21 (2) A Tier 1 employee who retires on annuity before age
22 60 with less than 30 years of creditable service, and who
23 first receives an annuity after January 1, 2016, shall not
24 receive the initial annual increase in that annuity until
25 the later of (i) January of the year immediately following
26 the year in which he or she attains age 60 or (ii) the

1 first day of January immediately following the 24-month
2 period that follows the participant's receipt of the
3 annuity.

4 (3) A Tier 2 employee who retires on annuity and first
5 receives an annual increase in that annuity after January
6 1, 2016 shall receive the initial annual increase in that
7 annuity on the January 1 occurring either on or after the
8 attainment of age 65 or the age of general eligibility for
9 Medicare under the laws of the United States with respect
10 to a person of the relevant birth year, or the second
11 anniversary of the annuity start date, whichever is later.

12 (4) The initial annual increase in an annuity payable
13 to a Tier 1 or Tier 2 employee who first receives an annual
14 increase in annuity after January 1, 2016 shall be
15 discounted on a monthly pro rata basis according to the
16 month in which the employee first received the annuity,
17 based on 1/12th increments falling between 0/12ths for an
18 annuity beginning in January and 11/12ths for an annuity
19 beginning in December.

20 (g) For the purposes of Section 1-103.1, the application of
21 this Section is not limited to persons in service on or after
22 the effective date of this amendatory Act of the 99th General
23 Assembly.

24 (40 ILCS 5/9-133) (from Ch. 108 1/2, par. 9-133)
25 Sec. 9-133. Automatic increase in annuity.

1 Beginning January 1, 2016, this Section is subject to
2 Section 9-132.1, and to the extent that there is a conflict,
3 Section 9-132.1 controls. For the purposes of Section 1-103.1,
4 the application of this provision is not limited to persons in
5 service on or after the effective date of this amendatory Act
6 of the 99th General Assembly.

7 (a) An employee who retired or retires from service after
8 December 31, 1959, having attained age 60 or more or, beginning
9 January 1, 1991, having attained 30 or more years of creditable
10 service, shall, in the month of January of the year following
11 the year in which the first anniversary of retirement occurs,
12 have his then fixed and payable monthly annuity increased by 1
13 1/2%, and such first fixed annuity as granted at retirement
14 increased by a further 1 1/2% in January of each year
15 thereafter. Beginning with January of the year 1972, such
16 increases shall be at the rate of 2% in lieu of the aforesaid
17 specified 1 1/2%. Beginning with January of the year 1982, such
18 increases shall be at the rate of 3% in lieu of the aforesaid
19 specified 2%. Beginning January 1, 1998, these increases shall
20 be at the rate of 3% of the current amount of the annuity,
21 including any previous increases received under this Article,
22 without regard to whether the annuitant is in service on or
23 after the effective date of this amendatory Act of 1997.

24 An employee who retires on annuity before age 60 and,
25 beginning January 1, 1991, with less than 30 years of
26 creditable service shall receive such increases beginning with

1 January of the year immediately following the year in which he
2 attains the age of 60 years. An employee who retires on annuity
3 before age 60 and before January 1, 1991, with at least 30
4 years of creditable service, shall be entitled to receive the
5 first increase under this subsection no later than January 1,
6 1993.

7 For an employee who, in accordance with the provisions of
8 Section 9-108.1 of this Act, shall have become a member of the
9 State System established under Article 14 on February 1, 1974,
10 the first such automatic increase shall begin in January of
11 1975.

12 (b) Subsection (a) is not applicable to an employee
13 retiring and receiving a term annuity, as defined in this Act,
14 nor to any otherwise qualified employee who retires before he
15 makes employee contributions (at the 1/2 of 1% rate as provided
16 in this Section) for this additional annuity for not less than
17 the equivalent of one full year. Such employee, however, shall
18 make arrangement to pay to the fund a balance of such
19 contributions, based on his final salary, as will bring such
20 1/2 of 1% contributions, computed without interest, to the
21 equivalent of one year's contributions.

22 Beginning with the month of January, 1960, each employee
23 shall contribute by means of salary deductions 1/2 of 1% of
24 each salary payment, concurrently with and in addition to the
25 employee contributions otherwise provided for annuity
26 purposes.

1 Each such additional contribution shall be used, together
2 with county contributions, to defray the cost of the specified
3 annuity increments.

4 Such additional employee contributions are not refundable,
5 except to an employee who withdraws and applies for refund
6 under this Article, or applies for annuity, and also in cases
7 where a term annuity becomes payable. In such cases his
8 contributions shall be refunded, without interest.

9 (Source: P.A. 95-369, eff. 8-23-07.)

10 (40 ILCS 5/9-133.1) (from Ch. 108 1/2, par. 9-133.1)

11 Sec. 9-133.1. Automatic increases in annuity for certain
12 heretofore retired participants.

13 Beginning January 1, 2016, this Section is subject to
14 Section 9-132.1, and to the extent that there is a conflict,
15 Section 9-132.1 controls. For the purposes of Section 1-103.1,
16 the application of this provision is not limited to persons in
17 service on or after the effective date of this amendatory Act
18 of the 99th General Assembly.

19 A retired employee retired at age 55 or over and who (a) is
20 receiving annuity based on a service credit of 20 or more
21 years, and (b) does not qualify for the automatic increases in
22 annuity provided for in Sec. 9-133 of this Article, and (c)
23 elects to make a contribution to the Fund at a time and manner
24 prescribed by the Retirement Board, of a sum equal to 1% of the
25 final average monthly salary forming the basis of the

1 calculation of their annuity multiplied by years of credited
2 service, or 1% of their final monthly salary multiplied by
3 years of credited service in any case where the final average
4 salary is not used in the calculation, shall have his original
5 fixed and payable monthly amount of annuity increased in
6 January of the year following the year in which he attains the
7 age of 65 years, if such age of 65 years is attained in the year
8 1969 or later, by an amount equal to 1 1/2%, and by an equal
9 additional 1 1/2% in January of each year thereafter. Beginning
10 with January of the year 1972, such increases shall be at the
11 rate of 2% in lieu of the aforesaid specified 1 1/2%. Beginning
12 with January of the year 1982, such increases shall be at the
13 rate of 3% in lieu of the aforesaid specified 2%. Beginning
14 January 1, 1998, these increases shall be at the rate of 3% of
15 the current amount of the annuity, including any previous
16 increases received under this Article, without regard to
17 whether the annuitant is in service on or after the effective
18 date of this amendatory Act of 1997.

19 In those cases in which the retired employee receiving
20 annuity has attained the age of 66 or more years in the year
21 1969, he shall have such annuity increased in January of the
22 year 1970 by an amount equal to 1 1/2% multiplied by the number
23 equal to the number of months of January elapsing from and
24 including January of the year immediately following the year he
25 attained the age of 65 years if retired at or prior to age 65,
26 or from and including January of the year immediately following

1 the year of retirement if retired at an age greater than 65
2 years, to and including January of the year 1970, and by an
3 equal additional 1 1/2% in January of each year thereafter.
4 Beginning with January of the year 1972, such increases shall
5 be at the rate of 2% in lieu of the aforesaid specified 1 1/2%.
6 Beginning with January of the year 1982, such increases shall
7 be at the rate of 3% in lieu of the aforesaid specified 2%.
8 Beginning January 1, 1998, these increases shall be at the rate
9 of 3% of the current amount of the annuity, including any
10 previous increases received under this Article, without regard
11 to whether the annuitant is in service on or after the
12 effective date of this amendatory Act of 1997.

13 To defray the annual cost of such increases, the annual
14 interest income of the Fund, accruing from investments held by
15 the Fund, exclusive of gains or losses on sales or exchanges of
16 assets during the year, over and above 4% a year, shall be used
17 to the extent necessary and available to finance the cost of
18 such increases for the following year.

19 (Source: P.A. 95-369, eff. 8-23-07.)

20 (40 ILCS 5/9-133.2 new)

21 Sec. 9-133.2. Minimum annuity - annuity beginning on or
22 after December 31, 2015.

23 (a) Notwithstanding any other provision of this Article,
24 beginning December 31, 2015, a Tier 1 employee with 10 or more
25 years of service who meets the minimum age requirement of this

1 subsection may elect to receive, in lieu of any other
2 retirement annuity provided under this Article, an annuity
3 calculated under this subsection.

4 The annuity shall begin no earlier than upon attainment of
5 the following specified minimum age: age 50 if the annuity
6 begins in 2015; age 51 if the annuity begins in 2016 or 2017;
7 age 52 if the annuity begins in 2018 or 2019; age 53 if the
8 annuity begins in 2020 or 2021; age 54 if the annuity begins in
9 2022 or 2023; or age 55 if the annuity begins in 2024 or
10 thereafter.

11 The annuity shall be equal to 2.40% of the employee's
12 average annual salary for each year of service before January
13 1, 2016, and 2.30% of that average annual salary for each year
14 of service on or after January 1, 2016, except that: (i) these
15 percentages are subject to reduction under subsection (e) of
16 this Section; (ii) the annuity shall in no event exceed 80% of
17 final average salary; and (iii) if the employee has less than
18 30 years of service, the annuity shall be reduced by 0.5% for
19 each full month or remaining fraction thereof that the
20 employee's attained age when the annuity is to begin is less
21 than age 60 for an annuity beginning in 2015, less than age 61
22 for an annuity beginning in 2016 or 2017, less than age 62 for
23 an annuity beginning in 2018 or 2019, less than age 63 for an
24 annuity beginning in 2020 or 2021, less than age 64 for an
25 annuity beginning in 2022 or 2023, or less than age 65 for an
26 annuity beginning in 2024 or thereafter.

1 (b) Notwithstanding any other provision of this Article or
2 Section 1-160, beginning January 1, 2016, a Tier 2 employee
3 with 10 or more years of service may elect to receive, in lieu
4 of any other retirement annuity provided under this Article, an
5 annuity calculated under this subsection, to begin no earlier
6 than upon attainment of age 62.

7 The annuity shall be equal to 2.40% of the employee's
8 average annual salary for each year of service before July 1,
9 2015, and 2.30% of that average annual salary for each year of
10 service on or after January 1, 2016, except that: (i) these
11 percentages are subject to reduction under subsection (e) of
12 this Section; (ii) the annuity shall in no event exceed 80% of
13 final average salary; and (iii) the annuity shall be reduced by
14 0.5% for each full month or remaining fraction thereof that the
15 employee's attained age when the annuity is to begin is less
16 than age 65 or the age of general eligibility for Medicare
17 under the laws of the United States with respect to a person of
18 the relevant birth year, whichever is greater.

19 (c) Notwithstanding any other provision of this Article,
20 beginning January 1, 2016, a Tier 1 employee who is a county
21 security officer with at least the final 10 years of service as
22 a county security officer may elect to receive, in lieu of any
23 other retirement annuity provided under this Article, an
24 annuity calculated under this subsection, to begin no earlier
25 than upon attainment of age 50.

26 The annuity shall be equal to 2.40% of the employee's

1 average annual salary for each year of service before January
2 1, 2016, and 2.30% of that average annual salary for each year
3 of service on or after January 1, 2016, except that: (i) these
4 percentages are subject to reduction under subsection (e) of
5 this Section; (ii) the annuity shall in no event exceed 80% of
6 final average salary; and (iii) if the employee has less than
7 30 years of service, the annuity shall be reduced by 0.5% for
8 each full month or remaining fraction thereof that the
9 employee's attained age when the annuity is to begin is less
10 than age 60 for an annuity beginning in 2015, less than age 61
11 for an annuity beginning in 2016 or 2017, or less than age 62
12 for an annuity beginning in 2018 or thereafter.

13 (d) Notwithstanding any other provision of law, beginning
14 January 1, 2016, a Tier 2 employee who is a county security
15 officer with at least the final 10 years of service as a county
16 security officer may elect to receive, in lieu of any other
17 retirement annuity provided under this Article or Section
18 1-160, an annuity calculated under this subsection, to begin no
19 earlier than upon attainment of age 62.

20 The annuity shall be equal to 2.40% of the employee's
21 average annual salary for each year of service prior to January
22 1, 2016, and 2.30% of that average annual salary for each year
23 of service on or after January 1, 2016, except that: (i) these
24 percentages are subject to reduction under subsection (e) of
25 this Section; and (ii) the annuity shall in no event exceed 80%
26 of final average salary.

1 (e) Beginning with service in 2020, in the second year
2 immediately following any year for which the Annual Actuarial
3 Report of the Fund determines that the Fund's actuarial assets
4 are less than 59% of the Fund's actuarial liabilities, the
5 percentage of average annual salary to be used for service
6 credit from that second immediately following year shall be
7 2.20% of average annual salary instead of the percentage
8 otherwise specified in this Section.

9 (f) For the purposes of Section 1-103.1, the application of
10 this Section is not limited to persons in service on or after
11 the effective date of this amendatory Act of the 99th General
12 Assembly.

13 (40 ILCS 5/9-134) (from Ch. 108 1/2, par. 9-134)

14 Sec. 9-134. Minimum annuity - Additional provisions =
15 Annuity beginning before January 1, 2016.

16 Notwithstanding any other provision of this Article, this
17 Section does not apply to an annuity that begins on or after
18 January 1, 2016. For the purposes of Section 1-103.1,
19 application of this provision is not limited to persons in
20 service on or after the effective date of this amendatory Act
21 of the 99th General Assembly.

22 (a) An employee who withdraws after July 1, 1957 at age 60
23 or more with 20 or more years of service, for whom the amount
24 of age and service and prior service annuity combined is less
25 than the amount stated in this Section from the date of

1 withdrawal, instead of all annuities otherwise provided in this
2 Article, is entitled to receive an annuity for life of an
3 amount equal to 1 2/3% for each year of service, of his highest
4 average annual salary for any 5 consecutive years within the
5 last 10 years of service immediately preceding the date of
6 withdrawal; provided that in the case of any employee who
7 withdraws on or after July 1, 1971, such employee age 60 or
8 over with 20 or more years of service, or who withdraws on or
9 after January 1, 1982 and on or after attainment of age 65 with
10 10 or more years of service, shall instead receive an annuity
11 for life equal to 1.67% for each of the first 10 years of
12 service; 1.90% for each of the next 10 years of service; 2.10%
13 for each year of service in excess of 20 but not exceeding 30;
14 and 2.30% for each year of service in excess of 30, based on
15 the highest average annual salary for any 4 consecutive years
16 within the last 10 years of service immediately preceding the
17 date of withdrawal.

18 An employee who withdraws after July 1, 1957, but prior to
19 January 1, 1988, with 20 or more years of service, before age
20 60 is entitled to annuity, to begin not earlier than age 55, if
21 under such age at withdrawal, as computed in the last preceding
22 paragraph, reduced 1/2 of 1% for each full month or fractional
23 part thereof that his attained age when annuity is to begin is
24 less than 60 to the end that the total reduction at age 55
25 shall be 30%, except that an employee retiring at age 55 or
26 over but less than age 60, having at least 35 years of service,

1 shall not be subject to the reduction in his retirement annuity
2 because of retirement below age 60.

3 An employee who withdraws on or after January 1, 1988, with
4 20 or more years of service and before age 60, is entitled to
5 annuity as computed above, to begin not earlier than age 50 if
6 under such age at withdrawal, reduced 1/2 of 1% for each full
7 month or fractional part thereof that his attained age when
8 annuity is to begin is less than 60, to the end that the total
9 reduction at age 50 shall be 60%, except that an employee
10 retiring at age 50 or over but less than age 60, having at
11 least 30 years of service, shall not be subject to the
12 reduction in retirement annuity because of retirement below age
13 60.

14 An employee who withdraws on or after January 1, 1992 but
15 before January 1, 1993, at age 60 or over with 5 or more years
16 of service, may elect, in lieu of any other employee annuity
17 provided in this Section, to receive an annuity for life equal
18 to 2.20% for each of the first 20 years of service, and 2.40%
19 for each year of service in excess of 20, based on the highest
20 average annual salary for any 4 consecutive years within the
21 last 10 years of service immediately preceding the date of
22 withdrawal. An employee who withdraws on or after January 1,
23 1992, but before January 1, 1993, on or after attainment of age
24 55 but before attainment of age 60 with 5 or more years of
25 service, is entitled to elect such annuity, but the annuity
26 shall be reduced 0.25% for each full month or fractional part

1 thereof that his attained age when the annuity is to begin is
2 less than age 60, to the end that the total reduction at age 55
3 shall be 15%, except that an employee retiring at age 55 or
4 over but less than age 60, having at least 30 years of service,
5 shall not be subject to the reduction in retirement annuity
6 because of retirement below age 60. This annuity benefit
7 formula shall only apply to those employees who are age 55 or
8 over prior to January 1, 1993, and who elect to withdraw at age
9 55 or over on or after January 1, 1992 but before January 1,
10 1993.

11 An employee who withdraws on or after July 1, 1996 but
12 before August 1, 1996, at age 55 or over with 8 or more years of
13 service, may elect, in lieu of any other employee annuity
14 provided in this Section, to receive an annuity for life equal
15 to 2.20% for each of the first 20 years of service, and 2.40%
16 for each year of service in excess of 20, based on the highest
17 average annual salary for any 4 consecutive years within the
18 last 10 years of service immediately preceding the date of
19 withdrawal, but the annuity shall be reduced by 0.25% for each
20 full month or fractional part thereof that the annuitant's
21 attained age when the annuity is to begin is less than age 60,
22 unless the annuitant has at least 30 years of service.

23 The maximum annuity under this paragraph (a) shall not
24 exceed 70% of highest average annual salary for any 5
25 consecutive years within the last 10 years of service in the
26 case of an employee who withdraws prior to July 1, 1971, and

1 75% of the highest average annual salary for any 4 consecutive
2 years within the last 10 years of service immediately preceding
3 the date of withdrawal if withdrawal takes place on or after
4 July 1, 1971 and prior to January 1, 1988, and 80% of the
5 highest average annual salary for any 4 consecutive years
6 within the last 10 years of service immediately preceding the
7 date of withdrawal if withdrawal takes place on or after
8 January 1, 1988. Fifteen hundred dollars shall be considered
9 the minimum amount of annual salary for any year, and the
10 maximum shall be his salary as defined in this Article, except
11 that for the years before 1957 and subsequent to 1952 the
12 maximum annual salary to be considered shall be \$6,000, and for
13 any year before the year 1953, \$4,800.

14 (b) Any employee who withdraws on or after July 1, 1985 but
15 prior to January 1, 1988, at age 60 or over with 10 or more
16 years of service, may elect in lieu of the benefit in paragraph
17 (a) to receive an annuity for life equal to 2.00% for each year
18 of service, based on the highest average annual salary for any
19 4 consecutive years within the last 10 years of service
20 immediately preceding the date of withdrawal. An employee who
21 withdraws on or after July 1, 1985, but prior to January 1,
22 1988, with 10 or more years of service, but before age 60, is
23 entitled to elect such annuity, to begin not earlier than age
24 55, but the annuity shall be reduced 0.5% for each full month
25 or fractional part thereof that his attained age when the
26 annuity is to begin is less than 60, to the end that the total

1 reduction at age 55 shall be 30%; except that an employee
2 retiring at age 55 or over but less than age 60, having at
3 least 30 years of service, shall not be subject to the
4 reduction in retirement annuity because of retirement below age
5 60.

6 An employee who withdraws on or after January 1, 1988, at
7 age 60 or over with 10 or more years of service, may elect, in
8 lieu of the benefit in paragraph (a), to receive an annuity for
9 life equal to 2.20% for each of the first 20 years of service,
10 and 2.4% for each year of service in excess of 20, based on the
11 highest average annual salary for any 4 consecutive years
12 within the last 10 years of service immediately preceding the
13 date of withdrawal. An employee who withdraws on or after
14 January 1, 1988, with 10 or more years of service, but before
15 age 60, is entitled to elect such annuity, to begin not earlier
16 than age 50, but the annuity shall be reduced 0.5% for each
17 full month or fractional part thereof that his attained age
18 when the annuity is to begin is less than 60, to the end that
19 the total reduction at age 50 shall be 60%, except that an
20 employee retiring at age 50 or over but less than age 60,
21 having at least 30 years of service, shall not be subject to
22 the reduction in retirement annuity because of retirement below
23 age 60.

24 An employee who withdraws on or after June 30, 2002 with 10
25 or more years of service may elect, in lieu of any other
26 retirement annuity provided under this Article, to receive an

1 annuity for life, beginning no earlier than upon attainment of
2 age 50, equal to 2.40% of his or her highest average annual
3 salary for any 4 consecutive years within the last 10 years of
4 service immediately preceding withdrawal, for each year of
5 service. If the employee has less than 30 years of service, the
6 annuity shall be reduced by 0.5% for each full month or
7 remaining fraction thereof that the employee's attained age
8 when the annuity is to begin is less than 60.

9 The maximum annuity under this paragraph (b) shall not
10 exceed 75% of the highest average annual salary for any 4
11 consecutive years within the last 10 years of service
12 immediately preceding the date of withdrawal if withdrawal
13 occurs prior to January 1, 1988, or 80% of the highest average
14 annual salary for any 4 consecutive years within the last 10
15 years of service immediately preceding the date of withdrawal
16 if withdrawal takes place on or after January 1, 1988.

17 The provisions of this paragraph (b) do not apply to any
18 former County employee receiving an annuity from the fund, who
19 re-enters service as a County employee, unless he renders at
20 least 3 years of additional service after the date of re-entry.

21 (c) For an employee receiving disability benefit, the
22 salary for annuity purposes under paragraph (a) or (b) of this
23 Section shall, for all periods of disability benefit subsequent
24 to the year 1956, be the amount on which his disability benefit
25 was based.

26 (d) A county employee with 20 or more years of service,

1 whose entire disability benefit credit period expires before
2 attainment of age 50 (age 55 if expiration occurs before
3 January 1, 1988), while still disabled for service is entitled
4 upon withdrawal to the larger of:

5 (1) The minimum annuity provided above, assuming that
6 he is then age 50 (age 55 if expiration occurs before
7 January 1, 1988), and reducing such annuity to its
8 actuarial equivalent at his attained age on such date, or

9 (2) the annuity provided from his age and service and
10 prior service annuity credits.

11 (e) The minimum annuity provisions above do not apply to
12 any former county employee receiving an annuity from the fund,
13 who re-enters service as a county employee, unless he renders
14 at least 3 years of additional service after the date of
15 re-entry.

16 (f) Any employee in service on July 1, 1947, or who enters
17 service thereafter before attaining age 65 and withdraws after
18 age 65 with less than 10 years of service for whom the annuity
19 has been fixed under the foregoing Sections of this Article,
20 shall, instead of the annuity so fixed, receive an annuity as
21 follows:

22 Such amount as he could have received had the accumulated
23 amounts for annuity been improved with interest at the
24 effective rate to the date of withdrawal, or to attainment of
25 age 70, whichever is earlier, and had the county contributed to
26 such earlier date for age and service annuity the amount that

1 it would have contributed had he been under age 65, after the
2 date his annuity was fixed in accordance with this Article, and
3 assuming his annuity were computed from such accumulations as
4 of his age on such earlier date. However those employees who
5 before July 1, 1953, made additional contributions in
6 accordance with this Article, the annuity so computed under
7 this paragraph shall not exceed the annuity which would be
8 payable under the other provisions of this Section if the
9 employee concerned was credited with 20 years of service and
10 would qualify for annuity thereunder.

11 (g) Instead of the annuity provided in this or any other
12 Section of this Article, an employee having attained age 65
13 with at least 15 years of service may elect to receive a
14 minimum annual annuity for life equal to 1% of the highest
15 average annual salary for any 4 consecutive years within the
16 last 10 years of service immediately preceding retirement for
17 each year of service, plus the sum of \$25 for each year of
18 service provided that no such minimum annual annuity may be
19 greater than 60% of such highest average annual salary.

20 (h) The annuity is payable in equal monthly installments.

21 (i) If, by operation of law, a function of a governmental
22 unit, as defined by Section 20-107 of this Code, is transferred
23 in whole or in part to the county in which this Article 9 is
24 created as set forth in Section 9-101, and employees of the
25 governmental unit are transferred as a class to such county,
26 the earnings credits in the retirement system covering the

1 governmental unit which have been validated under Section
2 20-109 of this Code shall be considered in determining the
3 highest average annual salary for purposes of this Section
4 9-134.

5 (j) The annuity being paid to an employee annuitant on July
6 1, 1988, shall be increased on that date by 1% for each full
7 year that has elapsed from the date the annuity began.

8 (k) Notwithstanding anything to the contrary in this
9 Article 9, Section 20-131 shall not apply to an employee who
10 withdraws on or after January 1, 1988, but prior to attaining
11 age 55. Therefore, no employee shall be entitled to elect to
12 have the alternative formula previously set forth in Section
13 20-122 prior to the amendatory Act of 1975 apply to any
14 annuity, the payment of which commenced after January 1, 1988,
15 but prior to such employee's attainment of age 55.

16 (Source: P.A. 92-599, eff. 6-28-02.)

17 (40 ILCS 5/9-146.2)

18 Sec. 9-146.2. Automatic annual increase in widow's
19 annuity.

20 Beginning January 1, 2016, this Section is subject to
21 Section 9-132.1, and to the extent that there is a conflict,
22 Section 9-132.1 controls. For the purposes of Section 1-103.1,
23 the application of this provision is not limited to persons in
24 service on or after the effective date of this amendatory Act
25 of the 99th General Assembly.

1 (a) Every widow's annuity, other than a term annuity, shall
2 be increased on January 1, 1998 or the January 1 occurring on
3 or immediately after the first anniversary of the deceased
4 employee's death, whichever occurs later, by an amount equal to
5 3% of the amount of the annuity.

6 On each January 1 after the date of the initial increase
7 under this Section, the widow's annuity shall be increased by
8 an amount equal to 3% of the amount of the widow's annuity
9 payable at the time of the increase, including any increases
10 previously granted under this Article.

11 (b) Limitations on the maximum amount of widow's annuity
12 imposed under Section 9-150 do not apply to the annual
13 increases provided under this Section.

14 (c) The increases provided under this Section also apply to
15 compensation annuities and supplemental annuities payable
16 under Section 9-147. The increases provided under this Section
17 do not apply to term annuities.

18 (Source: P.A. 90-32, eff. 6-27-97.)

19 (40 ILCS 5/9-169) (from Ch. 108 1/2, par. 9-169)

20 Sec. 9-169. Financing - Tax levy.

21 (a) For each fiscal year prior to 2016, the ~~The~~ county
22 board shall levy a tax annually upon all taxable property in
23 the county at the rate that will produce a sum which, when
24 added to the amounts deducted from the salaries of the
25 employees or otherwise contributed by them is sufficient for

1 the requirements of this Article.

2 For the years before 1962 the tax rate shall be as provided
3 in "The 1925 Act". For the years 1962 and 1963 the tax rate
4 shall be not more than .0200 per cent; for the years 1964 and
5 1965 the tax rate shall be not more than .0202 per cent; for
6 the years 1966 and 1967 the tax rate shall be not more than
7 .0207 per cent; for the year 1968 the tax rate shall be not
8 more than .0220 per cent; for the year 1969 the tax rate shall
9 be not more than .0233 per cent; for the year 1970 the tax rate
10 shall be not more than .0255 per cent; for the year 1971 the
11 tax rate shall be not more than .0268 per cent of the value, as
12 equalized or assessed by the Department of Revenue upon all
13 taxable property in the county.

14 Beginning with the year 1972 and for each year thereafter
15 through 2015, the county shall levy a tax annually at a rate on
16 the dollar of the value, as equalized or assessed by the
17 Department of Revenue of all taxable property within the county
18 that will produce, when extended, not to exceed an amount equal
19 to the total amount of contributions made by the employees to
20 the fund in the calendar year 2 years prior to the year for
21 which the annual applicable tax is levied multiplied by .8 for
22 the years 1972 through 1976; by .8 for the year 1977; by .87
23 for the year 1978; by .94 for the year 1979; by 1.02 for the
24 year 1980 and by 1.10 for the year 1981 and by 1.18 for the year
25 1982 and by 1.36 for the year 1983 and by 1.54 for the year 1984
26 and for each year thereafter through 2015.

1 Beginning with the year 2016 and for each year thereafter,
2 the county may levy a tax annually at a rate on the dollar of
3 the value, as equalized or assessed by the Department of
4 Revenue, of all taxable property within the County that will
5 produce, when extended, not to exceed an amount equal to the
6 total amount of County contributions required for that year
7 under subsection (a-5), (a-10), (a-15), or (a-20), whichever is
8 applicable.

9 (a-5) For each of years 2016 and 2017, the County shall
10 contribute to the Fund, from any permissible source, an amount
11 that is no less than 1.90 multiplied by the amount that would
12 have been contributed by employees in the calendar year 2 years
13 prior if they had contributed at the rate of 10.5% of the
14 salary upon which they actually contributed pension
15 contributions.

16 (a-10) For each of years 2018 and 2019, the County shall
17 contribute to the Fund, from any permissible source, an amount
18 that is no less than the amount contributed by employees in the
19 calendar year 2 years prior multiplied by 1.90, as certified by
20 the Retirement Board.

21 (a-15) For year 2020 and for each year thereafter, the
22 County shall contribute to the Fund, from any permissible
23 source, the greater of: (i) an amount that is no less than the
24 amount contributed by employees in the calendar year 2 years
25 prior multiplied by 1.90; or (ii) an amount which constitutes
26 the Minimum Required Employer Contribution for that year, as

1 certified by the Retirement Board.

2 (a-20) The provisions of subsection (a-15)
3 notwithstanding, whenever 2 consecutive Annual Actuarial
4 Reports determine that the funded ratio of the Fund exceeds
5 101%, then the County's contribution to the Fund for the second
6 year immediately following the year upon which the second such
7 Annual Actuarial Report is based shall be equal to the amount
8 required to maintain a projected funded ratio of 101% in 30
9 years' time, multiplied by 0.6.

10 (a-25) The tax referred to in subsection (a) ~~This tax~~ shall
11 be levied and collected in like manner with the general taxes
12 of the county, and shall be in addition to all other taxes
13 which the county is authorized to levy upon the aggregate
14 valuation of all taxable property within the county and shall
15 be exclusive of and in addition to the amount of tax the county
16 is authorized to levy for general purposes under any laws which
17 may limit the amount of tax which the county may levy for
18 general purposes. The county clerk, in reducing tax levies
19 under any Act concerning the levy and extension of taxes, shall
20 not consider this tax as a part of the general tax levy for
21 county purposes, and shall not include it within any limitation
22 of the per cent of the assessed valuation upon which taxes are
23 required to be extended for the county. It is lawful to extend
24 this tax in addition to the general county rate fixed by
25 statute, without being authorized as additional by a vote of
26 the people of the county.

1 Revenues derived from this tax shall be paid to the
2 treasurer of the county and held by him for the benefit of the
3 fund.

4 If the payments on account of taxes are insufficient during
5 any year to meet the requirements of this Article, the county
6 may issue tax anticipation warrants against the current tax
7 levy.

8 (a-30) Beginning January 1, 2016, the Fund shall not use
9 any contributions received by the Fund under this Article to
10 provide a subsidy for the cost of participation in an annuitant
11 healthcare program.

12 (b) By January 10, annually, the board shall notify the
13 county board of whether the tax referred to in subsection (a)
14 ~~the requirement of this Article that this tax~~ shall be levied.
15 The board shall make an annual determination of the required
16 county contributions, and shall certify the results thereof to
17 the county board.

18 (c) In lieu of levying all or a portion of real estate
19 taxes to fully meet the requirement of subsections (a-5),
20 (a-10), (a-15), and (a-20) in any year, the County may, through
21 its appropriation bill, disburse to and deposit with the County
22 treasurer no later than the final day of the fiscal year that
23 corresponds to said appropriation bill, for the benefit of the
24 Fund, to be held in accordance with this Article, an amount
25 that, together with such real estate taxes as are specifically
26 levied under this Section for that year, is not less than the

1 amount of the required County contributions for that year as
2 certified by the retirement board to the county board. The
3 deposit may be derived from any source legally available for
4 that purpose. The making of a deposit shall satisfy fully the
5 requirements of this Section for that year to the extent of the
6 amounts so deposited. Amounts deposited under this subsection
7 may be used by the Fund for any of the purposes for which the
8 proceeds of real estate taxes levied by the County under this
9 Section may otherwise be used, including the payment of any
10 amount that is otherwise required by this Article to be paid
11 from the proceeds of that tax. The various sums to be
12 contributed by the county board and allocated for the purposes
13 of this Article and any interest to be contributed by the
14 county shall be taken from the revenue derived from this tax
15 and no money of the county derived from any source other than
16 the levy and collection of this tax or the sale of tax
17 anticipation warrants, except state or federal funds
18 contributed for annuity and benefit purposes for employees of a
19 county department of public aid under "The Illinois Public Aid
20 Code", approved April 11, 1967, as now or hereafter amended,
21 may be used to provide revenue for the fund.

22 If it is not possible or practicable for the county to make
23 contributions for age and service annuity and widow's annuity
24 concurrently with the employee contributions made for such
25 purposes, such county shall make such contributions as soon as
26 possible and practicable thereafter with interest thereon at

1 the effective rate until the time it shall be made.

2 (d) With respect to employees whose wages are funded as
3 participants under the Comprehensive Employment and Training
4 Act of 1973, as amended (P.L. 93-203, 87 Stat. 839, P.L.
5 93-567, 88 Stat. 1845), hereinafter referred to as CETA,
6 subsequent to October 1, 1978, and in instances where the board
7 has elected to establish a manpower program reserve, the board
8 shall compute the amounts necessary to be credited to the
9 manpower program reserves established and maintained as herein
10 provided, and shall make a periodic determination of the amount
11 of required contributions from the County to the reserve to be
12 reimbursed by the federal government in accordance with rules
13 and regulations established by the Secretary of the United
14 States Department of Labor or his designee, and certify the
15 results thereof to the County Board. Any such amounts shall
16 become a credit to the County and will be used to reduce the
17 amount which the County would otherwise contribute during
18 succeeding years for all employees.

19 (e) In lieu of establishing a manpower program reserve with
20 respect to employees whose wages are funded as participants
21 under the Comprehensive Employment and Training Act of 1973, as
22 authorized by subsection (d), the board may elect to establish
23 a special County contribution rate for all such employees. If
24 this option is elected, the County shall contribute to the Fund
25 from federal funds provided under the Comprehensive Employment
26 and Training Act program at the special rate so established and

1 such contributions shall become a credit to the County and be
2 used to reduce the amount which the County would otherwise
3 contribute during succeeding years for all employees.

4 (Source: P.A. 95-369, eff. 8-23-07.)

5 (40 ILCS 5/9-169.1 new)

6 Sec. 9-169.1. Actions to enforce payments by County.

7 (a) If the County fails to transmit to the Fund
8 contributions required of it under this Article or
9 contributions collected by it from its participating employees
10 for the purposes of this Article for more than 30 days after
11 the payment of such contributions is due, the Fund, after
12 giving notice to the County, may certify to the State
13 Comptroller the amounts of such delinquent payments and the
14 State Comptroller shall deduct and deposit into the Fund the
15 certified amounts or a portion of those amounts from grants of
16 State funds to the County. If State funds from which such
17 deductions may be made are not sufficiently available, the
18 retirement board may proceed against the County to recover the
19 amounts of such delinquent payments in the appropriate circuit
20 court.

21 (b) If the County fails to transmit to the Fund
22 contributions required of it under this Article or
23 contributions collected by it from its participating employees
24 for the purposes of this Article for more than 30 days after
25 the payment of such contributions is due, the Fund, after

1 giving notice to the County, may certify the fact of such
2 delinquent payment to the County treasurer, who shall
3 thereafter remit the amounts collected from any real estate
4 taxes levied by the County, provided, however, that any
5 payments made by the County under this subsection are expressly
6 subordinated to the payment of the principal, interest,
7 premium, if any, and other payments on or related to any bonded
8 or note debt obligation of the County, either currently
9 outstanding or to be issued, for which the source of repayment
10 or security thereon is derived directly or indirectly from any
11 funds collected or received by the County or collected or
12 received on behalf of the County. Payments on such bonded or
13 note obligations include any statutory fund transfers or other
14 prefunding mechanisms or formulas set forth, now or hereafter,
15 in State law, County ordinance, or bond indentures, into debt
16 service funds or accounts of the County related to such bonded
17 or note obligations, consistent with the payment schedules
18 associated with such obligations.

19 (c) Notwithstanding any other provision of law, if the
20 County fails to transmit to the Fund the contributions required
21 under this Article or contributions collected by it from its
22 participating employees for the purposes of this Article for
23 more than 30 days after the payment of such contributions is
24 due, the retirement board may bring a mandamus action in the
25 Circuit Court of Cook County to compel the County to make the
26 required payment, irrespective of other remedies that are

1 available to the Fund. The obligations and causes of action
2 created under this Section shall be in addition to any other
3 right or remedy otherwise accorded by common law or State or
4 federal law, and nothing in this Section shall be construed to
5 deny, abrogate, impair, or waive any such common law or
6 statutory right or remedy. Any payments required to be made by
7 the County pursuant to this Section are expressly subordinated
8 to the payment of the principal, interest, premium, if any, and
9 other payments on or related to any bonded or note debt
10 obligation of the County, either currently outstanding or to be
11 issued, for which the source of repayment or security thereon
12 is derived directly or indirectly from any funds collected or
13 received by the County or collected or received on behalf of
14 the County. Payments on such bonded or note obligations include
15 any statutory fund transfers or other prefunding mechanisms or
16 formulas set forth, now or hereafter, in State law, County
17 ordinance, or bond indentures, into debt service funds or
18 accounts of the County related to such bonded or note
19 obligations, consistent with the payment schedules associated
20 with such obligations.

21 If reports furnished to the Fund by the County are
22 inadequate for the computation of the amounts of such
23 delinquent payments, the Fund may provide for such audit of the
24 records of the County as may be required to establish the
25 amounts of such delinquent payments. The County shall make its
26 records available to the Fund for the purpose of such audit.

1 The cost of such audit shall be added to the amount of the
2 delinquent payments and shall be recovered by the Fund from the
3 County at the same time and in the same manner as the
4 delinquent payments are recovered.

5 (d) For the purposes of this Section, the due date for
6 contributions made by an appropriation bill is the final day of
7 the fiscal year that corresponds to the appropriation bill, and
8 the due date for contributions made from property taxes is 60
9 days after the date specified on the real estate tax bill as
10 the second installment due date for the specified tax year
11 associated with said appropriation bill.

12 (40 ILCS 5/9-170) (from Ch. 108 1/2, par. 9-170)

13 Sec. 9-170. Financing; employee and County contributions
14 ~~Contributions~~ for age and service annuities for present and
15 future employees, future entrants and re-entrants.

16 (a) Beginning on the effective date as to a present
17 employee in paragraph (a) or (c) of Section 9-109, or as to a
18 future entrant in paragraph (a) of Section 9-110, and beginning
19 on September 1, 1935 as to a present employee in paragraph (b)
20 (1) of Section 9-109 or as to a future entrant in paragraph (b)
21 or (d) of Section 9-110, and beginning from the date of
22 becoming a contributor as to any present employee in paragraph
23 (b)(2) or (d) of Section 9-109, or any future entrant in
24 paragraph (c) or (e) of Section 9-110, there shall be deducted
25 and contributed to this fund 3 1/4% of each payment of salary

1 for age and service annuity until July 1, 1947. Beginning July
2 1, 1947 and prior to July 1, 1953, 5% and beginning July 1,
3 1953, and prior to September 1, 1971, 6%; and beginning
4 September 1, 1971, 6 1/2% of each payment of salary of such
5 employees shall be deducted and contributed for such purpose.

6 From and after January 1, 1966, each deputy sheriff as
7 defined in Section 9-128.1 who is a member of the County Police
8 Department and a participant of this fund, other than a deputy
9 sheriff who is deemed to be a security officer under Section
10 9-108.3, shall contribute 7% of salary for age and service
11 annuity. At the time of retirement on annuity, a deputy sheriff
12 who is a member of the County Police Department and retires,
13 ~~who chooses to retire~~ under provisions of this Article other
14 than Section 9-128.1~~7~~ may receive a refund of the difference
15 between the contributions made as a deputy sheriff who is a
16 member of the County Police Department and the contributions
17 that would have been made for such service not as a deputy
18 sheriff who is a member of the County Police Department,
19 including interest at the rate established under Section 9-151
20 earned.

21 An additional contribution to the Fund for retirement fund
22 solvency shall be contributed by every employee and deducted
23 from salary at the following rates: (i) beginning December 1,
24 2015 through November 30, 2016, 1% of each payment of salary;
25 and (ii) beginning December 1, 2016 and thereafter, 2% of each
26 payment of salary. In the event of withdrawal, these additional

1 contributions are refundable as is provided in this Article for
2 other employee contributions.

3 Such deductions beginning on the effective date and prior
4 to July 1, 1947 shall be made and continued for a future
5 entrant while he is in the service until he attains age 65, and
6 beginning on the effective date and prior to July 1, 1953 for a
7 present employee while he is in the service until the amount so
8 deducted from his salary or paid by him according to law to any
9 county pension fund in force on the effective date, with
10 interest on both such amounts at 4% per annum, equals the sum
11 that would have been to his credit from sums deducted from his
12 salary if deductions at the rate herein stated had been made
13 during his entire service until he attained age 65, with
14 interest at 4% per annum for the period subsequent to his
15 attainment of age 65. Such deductions beginning July 1, 1947
16 for future entrants and beginning July 1, 1953 for present
17 employees shall be made and continued while such future entrant
18 or present employee is in the service.

19 Notwithstanding any other provision of this Section, if in
20 any 2 consecutive years the actuarial value of the Fund's
21 assets exceeds 101% of the Fund's liabilities, the employees'
22 aggregate contribution, in the year following that second
23 consecutive year, shall be equal to the amount required to
24 maintain a projected funded ratio of 101% in 30 years' time,
25 multiplied by 0.4.

26 (b) Concurrently with each employee contribution, the

1 county shall contribute beginning on the effective date and
2 prior to July 1, 1947, 5 3/4%, and beginning on July 1, 1947
3 and prior to July 1, 1953, 7%; and beginning on July 1, 1953,
4 6% of each payment of such salary until the employee attains
5 age 65.

6 (c) Each present employee contribution made prior to the
7 date the age and service annuity for such employee is fixed,
8 each future entrant contribution, and each corresponding
9 county contribution shall be allocated to the account of and
10 credited to the employee for whose benefit it is made.

11 (Source: P.A. 86-1488.)

12 (40 ILCS 5/9-179.2) (from Ch. 108 1/2, par. 9-179.2)

13 Sec. 9-179.2. Other governmental service - Former County
14 Service. Any employee who (i) first became a contributor before
15 the effective date of this amendatory Act of the 99th General
16 Assembly, (ii) has rendered service to any "governmental unit"
17 as such term is defined in the "Retirement Systems Reciprocal
18 Act" ~~under Article 20 of the Illinois Pension Code, (iii) who~~
19 did not contribute to the retirement system of such
20 "governmental unit", including the retirement system created
21 by this Article ~~9 of the Illinois Pension code,~~ for such
22 service because of ineligibility for participation, and (iv)
23 has no equity or rights in such retirement system because of
24 such service shall be given credit for such service in this
25 fund, provided that:

1 (a) the ~~The~~ employee shall pay to this fund, while in
2 the service of such county, or while in the service of a
3 governmental unit whose retirement system has adopted the
4 "Retirement Systems Reciprocal Act", such amounts,
5 including interest at the effective rate, as he would have
6 paid to this fund, on the basis of his salary in effect
7 during the service rendered to such other "governmental
8 unit" at the rates prescribed in this Article 9 for the
9 periods of such service, to the end that such service shall
10 be considered as service rendered to such county, with all
11 the rights and conditions attaching to such service and
12 payments; and

13 (b) this Section shall not be applicable to any period
14 of such service for which the employee retains credit in
15 any other public annuity and benefit fund established by
16 Act of the Legislature of this State and in operation for
17 employees of such other "governmental unit" from which such
18 employee was transferred.

19 (Source: P.A. 90-655, eff. 7-30-98.)

20 (40 ILCS 5/9-179.3) (from Ch. 108 1/2, par. 9-179.3)

21 Sec. 9-179.3. Optional plan of additional benefits and
22 contributions.

23 (a) While this plan is in effect, an employee may establish
24 additional optional credit for additional optional benefits by
25 electing in writing at any time to make additional optional

1 contributions. The employee may discontinue making the
2 additional optional contributions at any time by notifying the
3 fund in writing.

4 (b) Additional optional contributions for the additional
5 optional benefits shall be as follows:

6 (1) For service after the option is elected, an
7 additional contribution of 3% of salary shall be
8 contributed to the fund on the same basis and under the
9 same conditions as contributions required under Sections
10 9-170 and 9-176.

11 (2) For service before the option is elected, an
12 additional contribution of 3% of the salary for the
13 applicable period of service, plus interest at the
14 effective rate from the date of service to the date of
15 payment. All payments for past service must be paid in full
16 before credit is given. No additional optional
17 contributions may be made for any period of service for
18 which credit has been previously forfeited by acceptance of
19 a refund, unless the refund is repaid in full with interest
20 at the effective rate from the date of refund to the date
21 of repayment.

22 (c) Additional optional benefits shall accrue for all
23 periods of eligible service for which additional contributions
24 are paid in full. The additional benefit shall consist of an
25 additional 1% for each year of service for which optional
26 contributions have been paid, based on the ~~highest~~ average

1 annual salary ~~for any 4 consecutive years within the last 10~~
2 ~~years of service immediately preceding the date of withdrawal,~~
3 to be added to the employee retirement annuity benefits as
4 otherwise computed under this Article. The calculation of these
5 additional benefits shall be subject to the same terms and
6 conditions as are used in the calculation of retirement annuity
7 under Section 9-133.2 or 9-134, whichever is applicable
8 depending on the date of retirement. The additional benefit
9 shall be included in the calculation of the automatic annual
10 increase in annuity, and in the calculation of widow's annuity,
11 where applicable. However no additional benefits will be
12 granted which produce a total annuity greater than the
13 applicable maximum established for that type of annuity in this
14 Article, and additional benefits shall not apply to any benefit
15 computed under Section 9-128.1.

16 (d) Refunds of additional optional contributions shall be
17 made on the same basis and under the same conditions as
18 provided under Sections 9-164, 9-166 and 9-167. Interest shall
19 be credited at the effective rate on the same basis and under
20 the same conditions as for other contributions.

21 (e) (Blank).

22 (f) The tax levy, computed under Section 9-169, shall be
23 based on employee contributions including the amount of
24 optional additional employee contributions.

25 (g) Service eligible under this Section may include only
26 service as an employee of the County as defined in Section

1 9-108, and subject to Sections 9-219 and 9-220. No service
2 granted under Section 9-121.1, 9-121.4 or 9-179.2 shall be
3 eligible for optional service credit. No optional service
4 credit may be established for any military service, or for any
5 service under any other Article of this Code. Optional service
6 credit may be established for any period of disability paid
7 from this fund, if the employee makes additional optional
8 contributions for such periods of disability.

9 (h) This plan of optional benefits and contributions shall
10 not apply to any former county employee receiving an annuity
11 from the fund, who re-enters service as a County employee,
12 unless he renders at least 3 years of additional service after
13 the date of re-entry.

14 (i) The effective date of the optional plan of additional
15 benefits and contributions shall be July 1, 1985, or the date
16 upon which approval is received from the Internal Revenue
17 Service, whichever is later.

18 (j) This plan of additional benefits and contributions
19 shall expire July 1, 2005. No additional contributions may be
20 made after that date, and no additional benefits will accrue
21 after that date.

22 (Source: P.A. 95-369, eff. 8-23-07.)

23 (40 ILCS 5/9-184) (from Ch. 108 1/2, par. 9-184)

24 Sec. 9-184. Estimates of sums required for certain
25 annuities and benefits. The board shall estimate the amounts

1 required each year to pay for all annuities and benefits and
2 administrative expenses associated with this Article. The
3 amounts shall be paid by the contributions paid by the County
4 under Section 9-169 ~~into the fund annually by the county from~~
5 ~~the prescribed tax levy.~~

6 (Source: Laws 1963, p. 161.)

7 (40 ILCS 5/9-185) (from Ch. 108 1/2, par. 9-185)

8 Sec. 9-185. Board created.

9 (a) A board of 9 members shall constitute the board of
10 trustees authorized to carry out the provisions of this
11 Article. The board of trustees shall be known as "The
12 Retirement Board of the County Employees' Annuity and Benefit
13 Fund of County". The board shall consist of 2 members
14 appointed and 7 members elected as hereinafter prescribed.

15 (b) The appointed members shall be appointed as follows:
16 One member shall be appointed by the president of the board
17 ~~comptroller~~ of such county, who may be the comptroller or some
18 person chosen by him from among employees of the county, who
19 are versed in the affairs of the comptroller's office; and one
20 member shall be appointed by the president of the board
21 ~~treasurer~~ of such county, who shall be ~~may be the treasurer or~~
22 ~~some person~~ chosen by him from among employees of the County
23 who are versed in finance and investment management ~~the affairs~~
24 ~~of the treasurer's office.~~

25 The members ~~member~~ appointed by the president of the board

1 of the County comptroller shall hold office for a term ending
2 on December 1st of the ~~first year following the year of~~
3 ~~appointment. The member appointed by the county treasurer shall~~
4 ~~hold office for a term ending on December 1st of the second~~
5 year following the year of appointment. The person appointed by
6 the comptroller of the County who is serving on the board on
7 the effective date of this amendatory Act of the 99th General
8 Assembly shall continue to serve until the expiration of his
9 appointed term, and until his successor has been appointed by
10 the president of the board of the County. However, the term of
11 the person appointed by the treasurer of the County who is
12 serving on the board on the effective date of this amendatory
13 Act of the 99th General Assembly shall terminate on that date,
14 and he shall continue to serve only until his successor has
15 been appointed by the president of the board of the County.

16 Thereafter, each appointed member shall be appointed by the
17 president of the board of the County ~~officer that appointed his~~
18 ~~predecessor~~ for a term of 2 years.

19 (c) Three county employee members of the board shall be
20 elected as follows: within 30 days from and after the date upon
21 which this Article comes into effect in the county, the clerk
22 of the county shall arrange for and hold an election. One
23 employee shall be elected for a term ending on the first day in
24 the month of December of the first year next following the
25 effective date; one for a term ending on December 1st of the
26 following year; and one for a term ending December 1st of the

1 second following year.

2 (d) Beginning December 1, 1988, and every 3 years
3 thereafter, an annuitant member of the board shall be elected
4 as follows: the board shall arrange for and hold an election in
5 which only those participants who are currently receiving
6 retirement benefits under this Article shall be eligible to
7 vote and be elected. Each such member shall be elected to a
8 term ending on the first day in the month of December of the
9 third following year.

10 (d-1) Beginning December 1, 2001, and every 3 years
11 thereafter, an annuitant member of the board shall be elected
12 as follows: the board shall arrange for and hold an election in
13 which only those participants who are currently receiving
14 retirement benefits under this Article shall be eligible to
15 vote and be elected. Each such member shall be elected to a
16 term ending on the first day in the month of December of the
17 third following year. Until December 1, 2001, the position
18 created under this subsection (d-1) may be filled by the board
19 as in the case of a vacancy.

20 (e) Beginning December 1, 1988, if a Forest Preserve
21 District Employees' Annuity and Benefit Fund shall be in force
22 in such county and the board of this fund is charged with
23 administering the affairs of such annuity and benefit fund for
24 employees of such forest preserve district, a forest preserve
25 district member of the board shall be elected as of December 1,
26 1988, and every 3 years thereafter as follows: the board shall

1 arrange for and hold an election in which only those employees
2 of such forest preserve district who are contributors to the
3 annuity and benefit fund for employees of such forest preserve
4 district shall be eligible to vote and be elected. Each such
5 member shall be elected to a term ending on the first day in
6 the month of December of the third following year.

7 (f) Beginning December 1, 2001, and every 3 years
8 thereafter, if a Forest Preserve District Employees' Annuity
9 and Benefit Fund is in force in the county and the board of
10 this Fund is charged with administering the affairs of that
11 annuity and benefit fund for employees of the forest preserve
12 district, a forest preserve district annuitant member of the
13 board shall be elected as follows: the board shall arrange for
14 and hold an election in which only those participants who are
15 currently receiving retirement benefits under Article 10 shall
16 be eligible to vote and be elected. Each such member shall be
17 elected to a term ending on the first day in the month of
18 December of the third following year. Until December 1, 2001,
19 the position created under this subsection (f) may be filled by
20 the board as in the case of a vacancy.

21 (Source: P.A. 92-66, eff. 7-12-01.)

22 (40 ILCS 5/9-189) (from Ch. 108 1/2, par. 9-189)

23 Sec. 9-189. Board meetings. The board shall hold regular
24 meetings in each month and special meetings as it deems
25 necessary. A majority of the members shall constitute a quorum

1 for the transaction of business at any meeting, provided that
2 the retirement fund may not adopt or adjust actuarial
3 assumptions or discount rates except through the affirmative
4 vote of no less than 8 members of the retirement board, and
5 such actions may only occur as the result of an actuarial
6 experience study conducted by a qualified actuary retained by
7 the board. No ~~but no~~ annuity or benefit shall be granted or
8 payments made by the fund unless ordered by a vote of the
9 majority of the board members as shown by roll call entered
10 upon the official record of the meeting. Meetings of the board
11 shall be open to the public.

12 (Source: Laws 1963, p. 161.)

13 (40 ILCS 5/9-195) (from Ch. 108 1/2, par. 9-195)

14 Sec. 9-195. To have an audit.

15 To have an audit of the accounts of the fund made at least
16 once each year by certified public accountants. The audit may
17 include the preparation of the Annual Actuarial Report required
18 under Section 9-117.2.

19 (Source: Laws 1963, p. 161.)

20 (40 ILCS 5/9-199) (from Ch. 108 1/2, par. 9-199)

21 Sec. 9-199. To submit an annual report. To submit a report
22 in July of each year to the county board of the county as of the
23 close of business on December 31st of the preceding year. The
24 report shall contain a detailed statement of the affairs of the

1 fund, its income and expenditures, and assets and liabilities;
2 and it shall include the Annual Actuarial Report required under
3 Section 9-117.2. The county board shall have power to require
4 and compel the retirement board to prepare and submit such
5 reports.

6 (Source: P.A. 95-369, eff. 8-23-07.)

7 (40 ILCS 5/9-201.1 new)

8 Sec. 9-201.1. To provide administrative services. To
9 authorize the provision of administrative services, including
10 the appointment of such actuarial, medical, legal, investment,
11 clerical, or other professional or administrative services or
12 resources, as are necessary for the healthcare trust created by
13 the Cook County Annuitant Healthcare Trust Act, provided that
14 the healthcare trust shall reimburse the Fund for the costs
15 associated with such administrative services and resources.
16 The provision of administrative services under this Section is
17 not and shall not be construed to be a pension or retirement
18 benefit for purposes of Section 5 of Article XIII of the
19 Illinois Constitution.

20 (40 ILCS 5/9-220) (from Ch. 108 1/2, par. 9-220)

21 Sec. 9-220. Basis of service credit.

22 (a) In computing the period of service of any employee for
23 annuity purposes under Section 9-133.2 or 9-134, the following
24 provisions shall govern:

1 (1) All periods prior to the effective date shall be
2 computed in accordance with the provisions governing the
3 computation of such service.

4 (2) Service on or after the effective date shall
5 include:

6 (i) The actual period of time the employee
7 contributes or has contributed to the fund for service
8 rendered to age 65 plus the actual period of time after
9 age 65 for which the employee performs the duties of
10 his position or performs such duties and is given a
11 county contribution for age and service annuity or
12 minimum annuity purposes.

13 (ii) Leaves of absence from duty, or vacation, for
14 which an employee receives all or part of his salary.

15 (iii) For a person who first becomes an employee
16 before the effective date of this amendatory Act of the
17 98th General Assembly, accumulated vacation or other
18 time for which an employee who retires on or after
19 November 1, 1990 receives a lump sum payment at the
20 time of retirement, provided that contributions were
21 made to the fund at the time such lump sum payment was
22 received. The service granted for the lump sum payment
23 shall not change the employee's date of withdrawal for
24 computing the effective date of the annuity.

25 (iv) For a person who first becomes an employee
26 before the effective date of Public Act 98-599 ~~this~~

1 ~~amendatory Act of the 98th General Assembly,~~
2 accumulated sick leave as of the date of the employee's
3 withdrawal from service, not to exceed a total of 180
4 days, provided that the amount of such accumulated sick
5 leave is certified by the County Comptroller to the
6 Board and the employee pays an amount equal to 8.5% (9%
7 for members of the County Police Department who are
8 eligible to receive an annuity under Section 9-128.1)
9 of the amount that would have been paid had such
10 accumulated sick leave been paid at the employee's
11 final rate of salary; except that beginning December 1,
12 2015, these payments shall instead be calculated at the
13 rate of 10.5% (11.0% for deputy sheriffs who are
14 eligible to receive an annuity under Section 9-128.1).
15 Such payment shall be made within 30 days after the
16 date of withdrawal and prior to receipt of the first
17 annuity check. The service credit granted for such
18 accumulated sick leave shall not change the employee's
19 date of withdrawal for the purpose of computing the
20 effective date of the annuity.

21 (v) Periods during which the employee has had
22 contributions for annuity purposes made for him in
23 accordance with law while on military leave of absence
24 during World War II.

25 (vi) Periods during which the employee receives a
26 disability benefit under this Article.

1 (vii) For any person who first becomes a member on
2 or after January 1, 2011, the actual period of time the
3 employee contributes or has contributed to the fund for
4 service rendered up to the limitation on salary in
5 subsection (b-5) of Section 1-160 plus the actual
6 period of time thereafter for which the employee
7 performs the duties of his position and ceased
8 contributing due to the salary limitation in
9 subsection (b-5) of Section 1-160.

10 (3) The right to have certain periods of time
11 considered as service as stated in paragraph (2) of Section
12 9-164 shall not apply for annuity purposes unless the
13 refunds shall have been repaid in accordance with this
14 Article.

15 (4) All service shall be computed in whole calendar
16 months, and at least 15 days of service in any one calendar
17 month shall constitute one calendar month of service, and 1
18 year of service shall be equal to the number of months,
19 days or hours for which an appropriation was made in the
20 annual appropriation ordinance for the position held by the
21 employee.

22 (5) Unused sick or vacation time shall not be used to
23 compute the service of an employee who first becomes an
24 employee on or after the effective date of this amendatory
25 Act of the 98th General Assembly.

26 (b) For all other annuity purposes of this Article the

1 following schedule shall govern the computation of a year of
2 service of an employee whose salary or wages is on the basis
3 stated, and any fractional part of a year of service shall be
4 determined according to said schedule:

5 Annual or Monthly Basis: Service during 4 months in any 1
6 calendar year;

7 Weekly Basis: Service during any 17 weeks of any 1 calendar
8 year, and service during any week shall constitute a week of
9 service;

10 Daily Basis: Service during 100 days in any 1 calendar
11 year, and service during any day shall constitute a day of
12 service;

13 Hourly Basis: Service during 800 hours in any 1 calendar
14 year, and service during any hour shall constitute an hour of
15 service.

16 (Source: P.A. 98-599, eff. 6-1-14.)

17 (40 ILCS 5/9-239) (from Ch. 108 1/2, par. 9-239)

18 Sec. 9-239. Optional Group Health Benefit.

19 (a) For the purposes of this Section, "annuitant" means a
20 person receiving an age and service annuity, a prior service
21 annuity, a widow's annuity, a widow's prior service annuity, a
22 minimum annuity, or a child's annuity on or after January 1,
23 1990, under Article 9 or 10 by reason of previous employment by
24 Cook County or the Forest Preserve District of Cook County
25 (hereinafter, in this Section, "the County").

1 (b) From ~~Beginning~~ December 1, 1991 through December 31,
2 2015, the Fund may pay, on behalf of each of the Fund's
3 annuitants who chooses to participate in any of the county's
4 health care plans or a group coverage plan administered by the
5 Fund, all or any portion of the total health care premium
6 (including coverage for other family members) due from each
7 such annuitant.

8 (c) The difference between the required monthly premiums
9 for such coverage and the amount paid by the Fund may be
10 deducted from the annuitant's annuity if the annuitant so
11 elects; otherwise such coverage shall terminate and the
12 obligation of the Fund shall also terminate.

13 (d) Beginning January 1, 2016, the Fund shall not use any
14 contributions received by the Fund under this Article to
15 provide a subsidy for the cost of participation in an annuitant
16 healthcare program provided for under this Section.

17 ~~Amounts contributed by the county as authorized under~~
18 ~~Section 9-182 for the benefits set forth in this Section shall~~
19 ~~be credited to the reserve for group hospital care and all such~~
20 ~~premiums shall be charged to it.~~

21 (e) The group coverage plan and benefits described in this
22 Section are not and shall not be construed to be pension or
23 retirement benefits for purposes of Section 5 of Article XIII
24 of the Illinois Constitution of 1970.

25 (Source: P.A. 86-1025; 87-794.)

1 (40 ILCS 5/9-245 new)

2 Sec. 9-245. Application and expiration of new benefit
3 increases.

4 (a) As used in this Section, "new benefit increase" means
5 an increase in the amount of any benefit provided under this
6 Article, or an expansion of the conditions of eligibility for
7 any benefit under this Article, that results from an amendment
8 to this Code that takes effect after the effective date of this
9 amendatory Act of the 99th General Assembly.

10 (b) Notwithstanding any other provision of this Code or any
11 subsequent amendment to this Code, every new benefit increase
12 is subject to this Section and shall be deemed to be granted
13 only in conformance with and contingent upon compliance with
14 the provisions of this Section.

15 (c) The Public Act enacting a new benefit increase must
16 identify and provide for payment to the Fund of additional
17 funding at least sufficient to fund the resulting annual
18 increase in cost to the Fund as it accrues.

19 Every new benefit increase is contingent upon the General
20 Assembly providing the additional funding required under this
21 subsection (c). The State Actuary shall analyze whether
22 adequate additional funding has been provided for the new
23 benefit increase. A new benefit increase created by a Public
24 Act that does not include the additional funding required under
25 this subsection (c) is null and void. If the State Actuary
26 determines that the additional funding provided for a new

1 benefit increase under this subsection (c) is or has become
2 inadequate, it may so certify to the Governor and the State
3 Comptroller and, in the absence of corrective action by the
4 General Assembly, the new benefit increase shall expire at the
5 end of the fiscal year in which the certification is made.

6 (40 ILCS 5/10-103) (from Ch. 108 1/2, par. 10-103)

7 Sec. 10-103. Members, contributions and benefits;
8 definitions.

9 (a) The definitions of Article 9 of this Code are
10 incorporated into this Article to the extent that they are
11 appropriate and applicable to this Fund and the District, but
12 they shall be interpreted with respect to the particular
13 circumstances, financing, and membership of this Fund rather
14 than those of the Article 9 Fund.

15 (b) The board shall cause the same deductions to be made
16 from salaries and, subject to Section 10-109, allow the same
17 annuities, refunds and benefits for employees of the district
18 as are made and allowed for employees of the county.

19 (c) The provisions and protections of Section 9-169.1 are
20 specifically declared to apply to this Fund.

21 (Source: P.A. 95-1036, eff. 2-17-09.)

22 (40 ILCS 5/10-107) (from Ch. 108 1/2, par. 10-107)

23 Sec. 10-107. Financing - Tax levy.

24 (a) The forest preserve district may levy an annual tax on

1 the value, as equalized or assessed by the Department of
2 Revenue, of all taxable property in the district for the
3 purpose of providing revenue for the fund. The rate of such tax
4 in any year may not exceed the rate herein specified for that
5 year or the rate which will produce, when extended, the sum
6 herein stated for that year, whichever is higher: for any year
7 prior to 1970, .00103% or \$195,000; for the year 1970, .00111%
8 or \$210,000; for the year 1971, .00116% or \$220,000. For the
9 year 1972 and each year thereafter, the Forest Preserve
10 District shall levy a tax annually at a rate on the dollar of
11 the value, as equalized or assessed by the Department of
12 Revenue upon all taxable property in the county, when extended,
13 not to exceed an amount equal to the total amount of
14 contributions by the employees to the fund made in the calendar
15 year 2 years prior to the year for which the annual applicable
16 tax is levied, multiplied by 1.25 for the year 1972; and by
17 1.30 for the year 1973 through 2015 ~~and for each year~~
18 ~~thereafter.~~

19 The tax shall be levied and collected in like manner with
20 the general taxes of the district and shall be in addition to
21 the maximum of all other tax rates which the district may levy
22 upon the aggregate valuation of all taxable property and shall
23 be exclusive of and in addition to the maximum amount and rate
24 of taxes the district may levy for general purposes or under
25 and by virtue of any laws which limit the amount of tax which
26 the district may levy for general purposes. The county clerk of

1 the county in which the forest preserve district is located in
2 reducing tax levies under the provisions of "An Act concerning
3 the levy and extension of taxes", approved May 9, 1901, as
4 amended, shall not consider any such tax as a part of the
5 general tax levy for forest preserve purposes, and shall not
6 include the same in the limitation of 1% of the assessed
7 valuation upon which taxes are required to be extended, and
8 shall not reduce the same under the provisions of that Act. The
9 proceeds of the tax herein authorized shall be kept as a
10 separate fund.

11 The Board may establish a manpower program reserve, or a
12 special forest preserve district contribution rate, with
13 respect to employees whose wages are funded as program
14 participants under the Comprehensive Employment and Training
15 Act of 1973 in the manner provided in subsection (d) or (e),
16 respectively, of Section 9-169.

17 (a-5) For each of the years 2016, 2017, 2018, and 2019, the
18 district shall contribute to the Fund, from any permissible
19 source, an amount that is no less than the amount contributed
20 by employees in the calendar year 2 years prior multiplied by
21 1.75, as certified by the Retirement Board.

22 (a-10) For the year 2020 and each year thereafter, the
23 district shall contribute to the Fund, from any permissible
24 source, the greater of (i) an amount that is no less than the
25 amount contributed by employees in the calendar year 2 years
26 prior multiplied by 1.75 or (ii) an amount which constitutes

1 the Minimum Required Employer Contribution for that year, as
2 certified by the retirement board. For the purposes of this
3 subsection, "Minimum Required Employer Contribution" shall
4 have the meaning set forth in Section 9-117.3 of this Code.

5 (a-15) In lieu of levying all or a portion of real estate
6 taxes to fully meet the requirement of subsections (a-5) and
7 (a-10) in any year, the district may, through its appropriation
8 bill, disburse to and deposit with the County treasurer no
9 later than the final day of the fiscal year that corresponds to
10 said appropriation bill, for the benefit of the Fund, to be
11 held in accordance with this Article, an amount that, together
12 with such real estate taxes as are specifically levied under
13 this Section for that year, is not less than the amount of the
14 required County contributions for that year as certified by the
15 retirement board to the district board. The deposit may be
16 derived from any source legally available for that purpose. The
17 making of a deposit shall satisfy fully the requirements of
18 this Section for that year to the extent of the amounts so
19 deposited.

20 (a-20) The provisions of subsection (a-15)
21 notwithstanding, if in any 2 consecutive years the actuarial
22 value of the Fund's assets exceeds 101% of the Fund's
23 liabilities, the district's contribution, in the year
24 following that second consecutive year, shall be equal to the
25 amount required to maintain a projected funded ratio of 101% in
26 30 years' time, multiplied by 0.6.

1 (b) Beginning January 1, 2016, the Fund shall not use any
2 contributions received by the Fund under this Article to
3 provide a subsidy for the cost of participation in an annuitant
4 healthcare program.

5 (Source: P.A. 81-1509.)

6 (40 ILCS 5/9-132 rep.)

7 Section 65. The Illinois Pension Code is amended by
8 repealing Section 9-132.

9 Section 70. The Counties Code is amended by changing
10 Section 6-24001 as follows:

11 (55 ILCS 5/6-24001) (from Ch. 34, par. 6-24001)

12 Sec. 6-24001. Annual appropriation bill. The board of
13 commissioners of Cook County shall, within the first quarter of
14 each fiscal year adopt a resolution, to be termed the annual
15 appropriation bill, in and by which resolution said board shall
16 appropriate such sums of money as may be necessary to defray
17 all necessary expenses and liabilities of said Cook County, to
18 be by said county paid or incurred during and until the time of
19 the adoption of the next annual appropriation bill under this
20 section: Provided, that said board shall not expend any money
21 or incur any indebtedness or liability on behalf of said county
22 in excess of the percentage and several amounts now limited by
23 law, and based on the limit prescribed in the Constitution,

1 when applied to the last previous assessment. For the year 1931
2 and each year thereafter, such appropriation bill shall set
3 forth estimates, by classes, of all current assets and
4 liabilities of each fund of such county, as of the beginning of
5 said fiscal year, and the amounts of such assets available for
6 appropriation in such year, either for expenditures or charges
7 to be made or incurred during such year or for liabilities
8 unpaid at the beginning thereof. Such board by resolution may
9 create, set apart and maintain an imprest cash fund for monies
10 which have been advanced by such county for state programs
11 pursuant to law prior to reimbursement by the state for
12 expenses incurred by such county. The monies shown as the
13 balance in such fund in such appropriation bill shall not be
14 considered to be available for appropriation. Estimates of
15 taxes to be received from the levies of prior years shall be
16 net, after deducting amounts estimated to be sufficient to
17 cover the loss and cost of collecting such taxes and also the
18 amounts of such taxes for the nonpayment of which real estate
19 has been or shall be forfeited to the State and abatements in
20 the amount of such taxes extended or to be extended upon the
21 collectors' books. Estimates of the liabilities of the
22 respective funds shall include (a) all final judgments,
23 including accrued interest thereon, entered against such
24 county and unpaid at the beginning of such fiscal year, (b) the
25 principal of all anticipation tax warrants and all temporary
26 loans and all accrued interest thereon unpaid at the beginning

1 of such fiscal year, (c) the principal of all notes issued in
2 anticipation of taxes under the provisions of Division 6-2, and
3 all accrued interest thereon unpaid at the beginning of such
4 fiscal year, and (d) any amount for which the board of
5 commissioners is required to reimburse the working cash fund
6 from the general corporate fund pursuant to the provisions of
7 Division 6-27. Such annual appropriation bill shall also set
8 forth detailed estimates of all taxes to be levied for such
9 year and of all other current revenues to be derived from
10 sources other than such taxes, including any funds authorized
11 by Division 6-6 and any funds made available under Section
12 5-701.10 of the "Illinois Highway Code", approved July 8, 1959,
13 as amended, which will be applicable to expenditure or charges
14 to be made or incurred during such year. No estimate of taxes
15 to be levied for general corporate purposes, or for any other
16 purpose, except for the payment of bonded indebtedness or
17 interest thereon, and except for pension fund purposes or
18 working cash fund purposes, shall exceed a sum equivalent to
19 the product of the value of the taxable property in such
20 county, as ascertained by the last assessment for state and
21 county taxes previous to the passage of such annual
22 appropriation bill, multiplied by the maximum per cent or rate
23 of tax which such county is authorized by law to levy for said
24 current fiscal year for any such purpose or purposes with
25 reference to which such estimate is made. All such estimates
26 shall be so segregated and classified as to funds and in such

1 other manner as to give effect to the requirements of law
2 relating to the respective purposes to which said assets and
3 taxes and other current revenues are applicable, to the end
4 that no expenditure shall be authorized or made for any purpose
5 in excess of funds lawfully available therefor, including any
6 funds authorized by Division 6-6 and any funds made available
7 under Section 5-701.10 of the "Illinois Highway Code," approved
8 July 8, 1959, as amended.

9 The appropriation bill shall include, for fiscal year 2016
10 and every year thereafter, such sums as are required under the
11 Cook County Annuitant Healthcare Trust Act.

12 (Source: P.A. 86-962.)

13 Section 90. The State Mandates Act is amended by adding
14 Section 8.39 as follows:

15 (30 ILCS 805/8.39 new)

16 Sec. 8.39. Exempt mandate. Notwithstanding Sections 6 and 8
17 of this Act, no reimbursement by the State is required for the
18 implementation of any mandate created by this amendatory Act of
19 the 99th General Assembly.

20 Section 97. Inseverability. If any portion of this Act is
21 found to be invalid, all portions shall be invalid.

22 Section 99. Effective date. This Act takes effect July 1,

1 2015.".